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Economist and Financial Expert

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Adviser to the Princes of India

THE COST OF MEDICAL DISORGANIZATION

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CURRENT HISTORY

BOOK REVIEWS

VOL. XXX

AUGUST, 1929

NO. 5

Bryan From a New Angle

By JOHN C. LONG

AUTHOR OF *Bryan, the Great Commoner*

AMONG the types of mind to be found in the human species is that which has a passion for exactness of statement, economy of speech, and literal proof in logic. Such a habit of mind is in key with the present age, even as it is far from the florid days of the pre-war era. William Jennings Bryan had none of the qualities just named, even if he thought himself a logician. The florescent quality of the age in which he lived, the untrammelled grandiloquence of his own nature, could expect scant sympathy from a biographer of literal temperament, demanding that Bryan prove that he was great.

Thus in this story* of the Commoner we get not only a carefully marshalled array of facts concerning the words and deeds of the political leader, but also a continuous debate, Werner vs. Bryan, aiming to show how foolish the latter was at every turn. Not only was Bryan in error in espousing free silver, the author holds, but likewise, his championing of the common man had little value. "Bryan, much as he felt for the common man," Mr. Werner says, "also believed in the capitalist system, and it was only by means of a more or less complete change in that system that the so-called people would have won anything worth winning." Bryan spent much of his life in campaigning for moral statutes. He urged, as the biographer points out, that the single standard be established, by declaring against the segregation of vice and its licensing; and he suggested that the penalties for immorality be enforced equally against both sexes. Mr. Werner comments: "He wanted women to be declared respectable by constitutional provision, or, rather, he wanted both men and women who broke his particular moral code to be declared disreputable."

The Commoner's efforts toward universal peace have won commendation in many quarters. He effected the so-called "cooling off" treaties with thirty nations, which provided that in the case of a dispute each party would wait for a year before beginning hostilities while a commission investigated the facts. His theory was that the great majority of disputes could be adjusted amicably if time were provided for cool negotiations. "The actual accomplishment was slight," says Mr. Werner, "for treaties were negotiated only with those countries with whom there was little likelihood that the United States would be involved in difficulties." Mr. Werner at this point appears to minimize the achievement, since the signatories included Great Britain, France, Spain, China, as well as most of the Latin-American countries.

The debating spirit reaches its maximum, however, when the author comes to Bryan's religious views, culminating in the Dayton trial. One-eighth of the book is devoted to this phase of the Commoner's life. Of this, nineteen pages are given over to Mr. Bryan's affirmations of faith and Mr. Werner's replies. Any study of Bryan should recall that Nebraska was settled by earnest farming people from New England and the Middle West, for the most part Christians of Protestant denominations. They had a simple, definite belief in a personal God and in Christ as their Saviour. Their religion seemingly strengthened and comforted them, and at any rate they forged ahead while affirming it. Bryan's religion was that of his people. Mr. Werner's attacks on Bryan's articles of belief leave one in a puzzled state of mind. "He," says the author concerning his subject, "took refuge in a profound daydream of supreme grace ordaining an eternal happiness, based on the principles of Christ and the law of Moses.

**Bryan*. By M. R. Werner. New York: Harcourt, Brace, 1929. \$3.50.



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Staff



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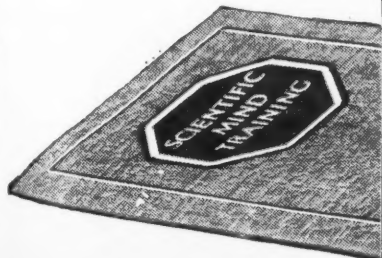


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* * * Bryan was unable to endure the strain of standing alone. Even his faith in God had to be reinforced by a faith that Christ had gone in advance for his, Bryan's redemption." If this be an indictment, it indicts a considerable portion of the nation. The biographer, to be sure, is entitled to his own beliefs, and to the opinion that Bryan's faith was unsound, but to charge Bryan with personal folly and weakness of mind because of his faith in evangelical Christianity seems a trifle severe.

This argumentative treatment of the Great Commoner has, however, certain advantages. We get a picture which is rounded at least on the darker side. We find a man who schemed to get the nomination in 1896; who urged the signing of the Philippine treaty in order to fasten on the Republicans the charge of imperialism; who chose to live in the hinterlands; who was pushed aside in 1904 and came back with glib words in 1908. Here was a seeker after money on the lecture platform, and a continuous pursuer of office of any sort. Here was a man foolish enough to believe in universal peace, a job-hunter for his friends and a real estate booster. Finally, here was a grandiose religious bigot who tried to compel others to his views.

Mr. Werner does establish that there was a goodly admixture of common clay in the Commoner. He points sharply and irrefutably to the fact that Bryan was denying his own principles when trying to force school teachers to adhere to his theory of creation, by urging Legislatures to hold over them the threat of dismissal, fines or imprisonment. On the other hand, he accepts too willingly the possibility that Bryan was scheming for his own nomination in 1912. The evidence presented is too slight to warrant the suggestion. Bryan had come out for national prohibition in 1910 (this is about the only important fact of his life which Mr. Werner does not include). He knew at the time that it was his political death knell. He was aware that Democracy in 1912 would never nominate a conspicuous dry, and his fight for Wilson was adroit, unselfish and masterful. His dramatic dominance of that situation, compelling Democracy to be true to the best that was in it, should be recorded as one of the great moments in his career.

The author gives a convincing picture of the Commoner's egotism, showmanship, lack of logic, and shortage of spiritual finesse. Yet one is moved to ask the

question whether he could have held so prominent a place in the American scene for so long, unless he had compensating qualities which do not appear here. He did not advocate the abolition of capitalism as the remedy for the people's ills. But perhaps he accomplished something by his earnestness, his eloquence and his forceful presentation that things were not as they should be. At the least, it may be said that Bryan during most of his political life gave America an opposition leader in politics who forced reforms and kept those in power on the more-or-less anxious seat. Whatever merit there may have been in him, however, Mr. Werner does not regard with sympathy. His view may be found summarized in his comment that Bryan had "never in his entire lifetime done one thing physically or mentally that was of supreme enough value in itself to give him or any one else complete satisfaction."

History's Vindication of Andrew Johnson

IT took a half century sufficiently to allay the hatreds, prejudices and partisan rancors of the Civil War so that conscientious scholars and impartial historians could tell the truth of that period and refute the falsehoods, slanders and malignant libels on men and measures which defile the pages of current standard histories, biographies and textbooks. For fifty years most of the publications dealing with the Civil War and Reconstruction, especially the standard textbooks, whether emanating from Southern or Northern sources, have been rankly partisan, wholly lacking in perspective. This is because the writers have allowed their sectional prejudices to influence their judgment. Where they consulted records, they confined their researches to sources where their preferences lay, ignoring or discrediting records from the opposite camp. Consequently, two generations of Americans, born and educated between 1870 and 1925, have a wholly false conception of the events between 1860 and 1870; especially they have formed a grossly unfair and distorted judgment of the men who made the history of that decade.

Only within the past few years has the truth filtered through; it appears in such

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biographies as Woodward's Grant, Beveridge's Lincoln, the latter, owing to the death of its brilliant author, having unfortunately ended at Lincoln's accession to the Presidency.

A new biography* has just been published which gives an entirely new aspect to the Reconstruction Period; it will have a momentous influence in correcting American ideas of that interesting and dramatic decade; moreover, it exonerates and completely vindicates an American President, Andrew Johnson, whose reputation for fifty years has been desecrated, traduced and vilified by partisan writers and prejudiced historians. Johnson has not received fair treatment from Southern historians, because he was a Union Democrat and passionately opposed to secession. Northern historians have libelled him because he resolutely fought against the vindictive purpose of the radicals to crucify the Southern leaders and scourge the Southern States as conquered territory by imposing on them the unspeakable thralldom of their former negro slaves.

It remained for Lloyd Paul Stryker (the son of a Presbyterian minister who was president of Hamilton College for many years), a man of Northern birth, Northern antecedents and prominently associated with the Republican party, to remove the muck and refute the slanders which have besmirched the name of Andrew Johnson. He does this in a monumental book, under the title, *Andrew Johnson: A Study in Courage*, a volume with appendix, authorities and references of 881 pages.

Mr. Stryker is a prominent member of the New York bar. For two years he was secretary and for three years a vice president of the Union League Club of New York, an influential Republican political and social organization; for three years he was Assistant District Attorney of New York under ex-Governor Whitman; he was Captain in the field artillery with the Seventy-seventh Division in the war; recently he was nominated by President Coolidge to the New York Federal bench. This is his first book. Although it was by chance that his attention was directed to Johnson, he has given the subject thorough meticulous research among old books, memoirs, letters, newspapers, Congressional debates and other source material; every available record in the Congressional and New York Public libraries dealing with that period

was carefully consulted; each chapter is scrupulously annotated, revealing a diligence and thoroughness which gives the study the imprimatur of indisputable verity.

The thesis of the work is embodied in the phrase, "If Lincoln was right, Johnson was right; if Johnson was wrong, Lincoln was wrong"—and the author unquestionably proves it.

The opening chapters deal with the rise of Johnson from obscurity and poverty. He was born at Raleigh, N. C., on Dec. 8, 1808, in a little one-story log house, and at the age of 4 was left "fatherless, penniless and friendless." An unschooled tailor's apprentice at 10, he taught himself to read and spell; at 18 he removed with his mother to Greenville, Tenn. "An old wooden cart, drawn by a worthless horse, carried all their worldly goods." At 19 he married Eliza McCordle, the only child of a Scotch shoemaker. "She taught him to write, she taught him to figure, she sat by him in the tailor shop and read to him as he worked." In such lowly surroundings and under such handicaps he began his career. First Alderman, then Mayor at 23, again Mayor at 24, then to the Legislature at 27, where he served several terms intermittently; Congressman at 35, Governor of Tennessee at 45, again Governor in 1855, and in 1857 United States Senator from Tennessee. He valiantly defended the Lincoln administration, though a Union Democrat, and in 1862 was appointed by Lincoln as Military Governor of Tennessee, with the rank of Brigadier General of Volunteers. This dangerous and thankless post he filled with such distinction that in 1864, Democrat though he had always been, he was nominated by the Republicans as Lincoln's running mate. When, on April 15, 1865, the martyred President fell by an assassin's bullet, Andrew Johnson became President of the United States, thus rising from tailor's apprentice to the Chief Magistracy of the greatest Republic on earth in twoscore years.

It is at this period that Mr. Stryker's history attains its pre-eminence. With painstaking detail, rigid adherence to documented facts, copious extracts from official records, complete textual quotations of notable speeches and a wealth of extracts from diarists and authentic documents, tasks that involved prodigious industry and intense research, the career of Johnson is closely followed through his term as President, during the tumultuous struggles which followed, culminating in

**Andrew Johnson: A Study in Courage*. By Lloyd Paul Stryker. New York: Macmillan, 1929. \$6.

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Mr. Stryker by his fearless, explicit and faithful record of this man and his times, has performed a patriotic service and made his own fame secure in the coveted circle of great historians.—G. W. O. O.

Brief Book Reviews

ABIGAIL ADAMS: *The Second First Lady*. By Dorothea Bobbé. New York: Minton, Balch & Co., 1929. \$3.50.

The life of Abigail Adams, told with the light touch and romantic style of Dorothea Bobbé, is an absorbing and interesting biography. Into it Miss Bobbé has put in a fleeting manner the entire history of the birth of these United States, with the contemporary activities in England, France and Holland, as well as pictures of almost a dozen real, appealing people—Abigail Adams is of all the least real—whose lives for drama, tragedy, pathos and occasional humor may rank with many lives in the best fiction. The author holds the reader's attention while she writes of the Declaration of Independence and our first treaty with England, and of the birth of Abigail's children and of Abigail's most uncomfortable voyage to England. The

picture of John Adams is perhaps the most vivid in the book. Miss Bobbe says: "No clear study of Abigail Adams's life can fail to bring to the student the clearest possible picture of her husband, and no clear picture of John Adams can fail to show him a man of great vision, a great statesman, and a figure in our history to whom his full share of honor has never yet been paid."

STRUGGLE. *The Life and Exploits of Commander Richard E. Byrd.* By Charles J. V. Murphy. New York: Stokes, 1928. \$2.50.

In this era of "debunking" biographies, there is perhaps no safer moment to publish the story of a living hero than when he is in the region of the South Pole. In the case of Charles J. V. Murphy's *Struggle*, however, this precaution was not necessary, for in the first place Mr. Murphy has only admiration for his subject, and in the second place it has long been apparent that Commander Byrd is an indestructible hero. We challenge the most cynical and world-weary to read this story of Commander Byrd and deny his greatness of character, his extraordinary ability, his courage, his modesty, his humanity and his charm. We challenge them also to deny that this is an exciting book. Mr. Murphy's narrative stretches from the coming of the first Byrd to Virginia in the late seventeenth century to the departure of the South Pole Expedition last August. It reveals by the enumeration of incidents the outstanding qualities of the man who suffered disappointments and failures in great number to accomplish a few things which meant a great deal to him. Fortunately Mr. Murphy realizes that biographers cannot know all, for he begins his task by saying "Byrd is essentially a mystic."

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CHARLES, PIERRE. *La Vie de Lenine.* Paris: Plon, 1929. 12 francs.

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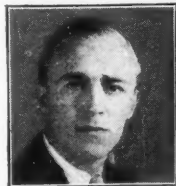


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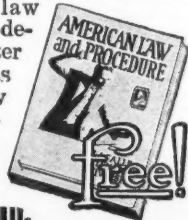
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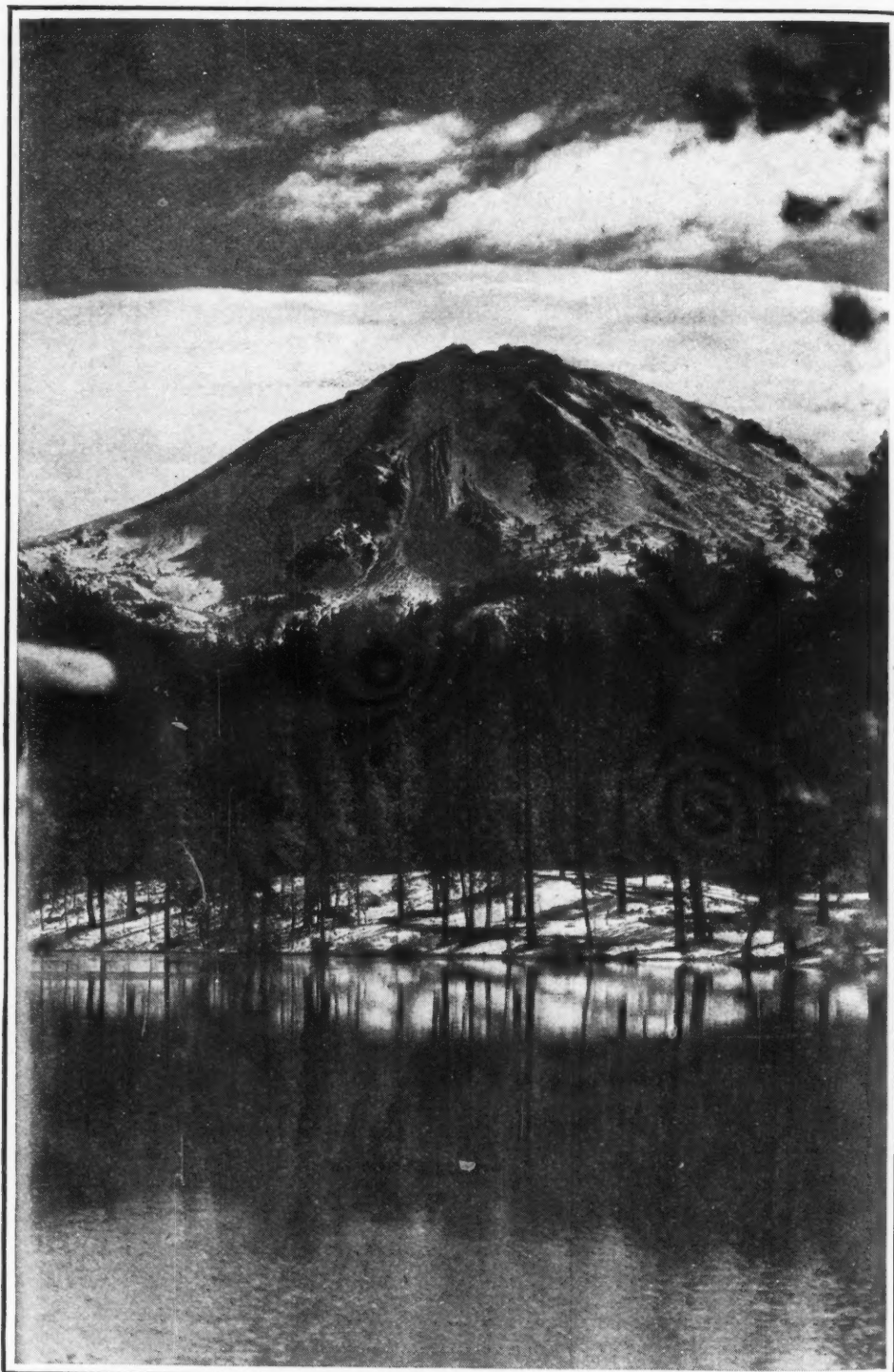
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Current HISTORY

The Enforcement of Prohibition

[President Hoover's appointment of a law enforcement commission and his appeals to the law-abiding American public to obey the existing laws and to aid in their observance have intensified the controversy over the Eighteenth Amendment. The two articles which are printed below express the points of view of representative spokesmen of the two sides of the prohibition issue. Ex-Senator Bruce of Maryland declares in his contribution not only that enforcement is impossible but that it is also undesirable. His article was submitted, with his consent, to Mr. Stanley High, editor of the *Christian Herald*, for the reply which follows Mr. Bruce's article.]

I—"Unnatural, Odious and Unworkable Law"

By WILLIAM CABELL BRUCE

FORMER UNITED STATES SENATOR FROM MARYLAND

BEFORE he was nominated for the Presidency, Mr. Hoover, in reply to a letter from Senator Borah, said that he did not favor the repeal of the Eighteenth Amendment; that he stood for the efficient, vigorous and sincere enforcement of the laws enacted thereunder; that our country had deliberately undertaken a great social and economic experiment, noble in motive and far-reaching in purpose, and that it must be worked out constructively. Since that time the experiment has been conducted mainly, we can truly say,

in the light of many bloody tragedies, by Federal agents with rifles, sawed-off shotguns and other deadly weapons, which even Mr. Hoover must admit would seem to belong rather to the category of destructive than constructive agencies.

Later, in his speech at Palo Alto, Cal., when accepting the Republican nomination for the Presidency, Mr. Hoover repeated the words of his reply to Senator Borah, and, after saying "common sense compels us to realize that grave abuses have occurred—abuses which must be remedied," added, "an organized, search-

ing investigation of fact and causes can alone determine the wise method of correcting them."

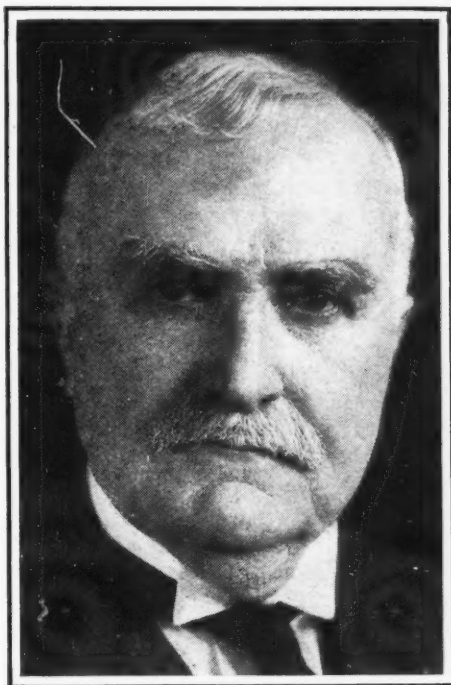
These words, closely construed, may or may not be broad enough to signify an inquisition sufficiently searching to inquire whether the grave abuses which Mr. Hoover had in mind were not exclusively or chiefly referable to the unenforceable nature of a system of restriction so profoundly repugnant to the human reason and human nature as to warrant the conclusion that the only wise method of correcting such abuses would be to repeal or amend the Eighteenth Amendment. But one thing is certain, and that is that as a candidate for the Presidency Mr. Hoover reaped no little practical benefit from the obscurity of the language which we have just quoted, well calculated as it was to awaken sanguine expectations in the breast of the prohibitionist, and, at the same time, at least a reasonable and comfortable hope in the bosom of the anti-prohibitionist. It is not too much to say that thousands of voters voted for Mr. Hoover who would not have done so had they not inferred from the wording of his speech of acceptance that what he contemplated at that time was a special investigation into the widespread spirit of lawlessness, the social scandals, the official corruption and the waste of human blood for which prohibition is responsible, an inquiry comprehensive enough to determine whether those evils can ever be ended except by ending the dishonored life of prohibition itself.

As we all know now, the short-lived hopes of Mr. Hoover's wet supporters were completely dissipated by his inaugural address. "There would be little traffic in illegal liquor," he declared in that address, "if only criminals patronized it. We

must awake to the fact that this patronage from large numbers of law-abiding citizens is supplying the rewards, and stimulating crime." This, and much more besides, in the same address, indicated a due sense, on Mr. Hoover's part, of the position of peculiar and commanding prominence occupied by prohibition in the popular mind. But his recognition of that reached a lame and impotent conclusion, indeed, when he made the following announcement in the same address: "I propose to appoint a national commission for a searching investigation of the whole structure of our Federal jurisprudence, to include the method of enforcement of the Eighteenth Amendment and the cause of abuse under it. Its purpose will be to make such recommendations for reorganization of Federal laws and court procedure as may be found desirable."

PROHIBITION ISSUE EVADED

In other words, the circumstances which made prohibition abuses a matter of supreme and exceptional moment to the welfare of the American people were to be ignored. They were to be investigated only along with legislative and administrative shortcomings in the general field of the Federal criminal jurisprudence which had for a long time, in one form or another, been receiving the remedial attention of crime commissions, bar associations, and many learned American judges and jurists. They were to be exposed to the risk of being buried out of sight and smothered in a vast mass of extraneous details relating to other subjects and, even if they were to be given anything like the paramount measure of attention to which they were entitled, it was only to be for the purpose of screwing up the prohibition enforcement machin-



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WILLIAM CABELL BRUCE

ery to such a degree of crushing efficiency as to suppress them, no matter at what cost to all the long-established principles of American liberty. There was to be no inquiry as to whether the Eighteenth Amendment was or was not a wise amendment; none as to whether the Volstead act was an enforceable or an unenforceable statute; none as to whether the monstrous evils and stenches which had resulted from its practical workings were not, after all, but the natural consequences of an irrational ordinance, destitute of all real moral sanction because totally out of keeping with the physical and social laws which make the average man a genial, companionable creature and not a mere sour, self-mutilated ascetic.

Subsequently, in his address in New York to The Associated Press, Mr. Hoover went so far as to assert

that life and property were relatively more unsafe in our country than in any other civilized country, and that our law-enforcement machinery was suffering from many infirmities, arising out of "its technicalities, its circumlocutions and its involved procedures," and "too often from inefficient and delinquent officials," but that, since of the total number of convictions for felony in 1928 less than 8 per cent had come from the Eighteenth Amendment, "that was only a sector of the invasion of lawlessness." "We have two immediate problems in government before us," he affirmed, "first, to investigate our existing agencies of enforcement, and, second, to reorganize our system of enforcement in such manner as to eliminate its weaknesses." Then followed, after an interview with Bishop Cannon, who had the good sense to realize that the proposed commission should have at least "one honest" wet on it, the appointment by Mr. Hoover of a commission of investigation, for his purposes, four or five of whom are classified by the press as certainly dry, one of whom is classified by the press as certainly wet, and one of whom, the chairman of the commission, Mr. George W. Wickersham, has been recently credited by the press with so many discordant views on the subject of prohibition as to remind us of the old meteorological couplet:

Mackerel sky, mackerel sky,
Never long wet, never long dry.

It is, however, but fair to say that a glimmer of consolation for the anti-prohibitionist is to be found in the recent statement of Mr. Wickersham that it is "intellectually possible" that the commission may reach the conclusion that prohibition is unenforceable, but not "probable."

Granting that Mr. Hoover has not

laid off such a restricted field for the investigation of prohibition as he has done because he has become an extreme prohibitionist, with all the circumscription of outlook implicit in that fact; or because, like many another public man in the past, he is afraid fearlessly to face an issue of such a highly controversial nature as prohibition, we are puzzled to know to what to set down his conduct, unless to such honest misconception of the imperious claim that prohibition abuses have to independent and separate investigation as might be formed by a man so deficient in imagination and sympathy as to regard politics not so much as a forum as a repair machine shop.

It is true that murder, robbery and burglary, and other real crimes are far more rife in the United States than they should be; though it is doubted by more than one competent authority whether criminal statistics in the United States have been sufficiently sifted and studied to warrant us in believing that crime, in our country, is as flagrant as Mr. Hoover would have us believe. But the laws, by which deep-dyed offenses of this sort are denounced, are merely declaratory, be it remembered, of moral intuitions of the human heart older than the Decalogue. No State or Congressional enactment is needed to tell any man or woman that such offenses are heinous, flagitious, and deserving of the hangman's noose or of long terms of imprisonment. There is no danger that they will ever thrive, as bootlegging practices do, upon "the patronage of large numbers of law-abiding citizens" (to use Mr. Hoover's words). They are intolerably abhorrent to every decent member of human society, whatever his social station, and rely for patronage

upon criminals alone. All that is required to keep them safely in check is to strengthen the hands of the Church and the home, to keep alive the ordinary impulses of social decency, to free our law-enforcement machinery from all of the remaining infirmities, if there are any worthy of extraordinary concern, arising out of "its technicalities, its circumlocutions and its involved procedures" (to borrow Mr. Hoover's words) and to rid the public service of "inefficient and delinquent officials." By religious and domestic agencies, by reforms suggested by the reflections of able and learned men, and by the action and reaction of public opinion, all this is possible of accomplishment with but little legislative aid.

CRAVINGS OF HUMAN NATURE

But influences of this kind, while equally potent to promote a high degree of temperance in drinking, are powerless to abolish drink altogether because human nature craves drink as it does food or anything else that ministers to the gratification of our physical senses, and because the human reason, except in the contracted brain-pan of the prohibition fanatic, disdainfully rejects the idea that the fact that twenty men cannot drink in moderation is any good reason why the very great and legitimate pleasure of drinking should be denied to 10,000 men who can.

Almost as well might it be reasoned that we should not kindle a cheerful flame in an open fireplace for fear of its escaping and spreading red ruin throughout the house; that we should not take refreshing rides in a motor car because motor cars are often used as instruments of lewdness or bank robbery; that we should forbear to eat because eating sometimes degenerates into

bestial gluttony, or that the primal tie between man and woman, even when sanctified by God's holy ordinances, should be dissolved because nothing has been so productive of shocking scandals and hideous fatalities.

LEGITIMATE DESIRES

The truth is, it cannot be too often repeated, all our corporeal propensities and appetites—every one—are ever tending to excess, and the belief that any of them, which can be indulged in by the vast majority of human beings with no result except the enhancement of innocent human enjoyment and happiness, should be prohibited is an artificial, not to say morbid or fantastic conviction which no government, however powerful or tyrannical, can ever enforce except at a cost in terms of money and wholesome personal liberty entirely at variance with the general traditions and lessons of human progress. No such belief can be translated into law, in an hour of overwrought popular feeling, and long command the respect of even law-abiding men, no matter how many earnest appeals may be addressed to their conservative instincts even by the President of the United States. God and nature made laws before man tried his hand at making them, and the closer man keeps to God and nature when he is legislating, the better it is for law and him.

No law, of course, should be lightly disobeyed. Only an idiot or a congenital thief does not realize that. But Edmund Burke has truly said that the worst tyranny is that of a bad law, and the ordinary American would be a much less intelligent individual than he is if he could not distinguish a manifestly unworkable law from a sound one, and had not grasped the fact that it is not by in-

discriminate, unmurmuring obedience to laws, good or bad, such as Mr. Hoover counsels, that bad laws are repealed or reduced to innocuous lifelessness, but by outspoken condemnation, protest and, in such extreme cases as the British navigation or stamp tax legislation, our own "blue laws" and prohibition, even by actual violation and public contempt. Supine popular submission to the Eighteenth Amendment, such as Mr. Hoover inculcates, would simply be cited by the prohibitionist, and perhaps by Mr. Hoover himself, as conclusive evidence of the fact that it is both a wise and enforceable declaration of public policy.

With great respect to Mr. Hoover, he has, in my humble judgment, gone off on the wrong tack. The tyrannical, depraved and sanguinary abuses produced by an unnatural and odious law—the national prohibition law—are the abuses on which the attention of the American people is fixed at the present time. It is they, above all others, about whom the tongues of the thoughtless are talking and the heads of the thoughtful are thinking. It is they that have not only profoundly discredited national prohibition as a social policy and filled our courts and penal institutions with thousands of men and women who might have led perfectly reputable lives but for the insidious temptations of a law, destitute of any real moral credentials, but have established a vast recruiting station for the enlistment in the service of truly atrocious crimes of many of the individuals who people the murderous underworlds of our great cities.

It was, to say the least, not entirely candid of Mr. Hoover to have stated in his inaugural address that of the total number of convictions for felony in the United States in

1928 less than 8 per cent had come from the Eighteenth Amendment. In that year, violations of prohibition laws in the United States were punishable as felonies to only a limited degree. It remained for the execrable Jones law of the present year to bring within the grade of felony not a few violations of the national prohibition law, though happily courts and juries do not seem to know exactly what to do with the Jones law, now that it has been given to them. Mr. Hoover would have been franker had he told the American people that, during the fiscal year ended June 30, 1928, 72 per cent of all the convictions in the Federal courts in criminal cases of all kinds, whether involving felonies or not, were obtained in prohibition cases. The effect of the thousands of lawless acts, represented by such a vast body of convictions as that, could not fail to give such an impulse in 1927-1928 to the spread of a lawless spirit throughout the United States as no other single cause could have done.

Manifestly, for every reason, prohibition, as a source of crime, merited an independent and separate investigation and, even if this is not conceded, what sound reason can be assigned why, when Mr. Hoover decided to have prohibition investigated, he should not have made the investigation wide enough in its range to include the question as to whether the difficulty in enforcing prohibition is not attributable to its own unenforceable nature rather than to any imperfections in the mechanics of law enforcement! It was due, it seems to me, both to the prohibitionists and the anti-prohibitionists that when an investigation was instituted it should embrace every phase of the prohibition problem.

If national prohibition is not enforceable at all, no matter what compulsory means may be resorted to, why should that fact, too, not be laid bare by the proceedings and the report of the commission, and be made the basis of such a recommendation to Congress as Mr. Hoover might see fit to make? By the Federal Constitution he is required to take care that the laws be faithfully executed, to be sure; but by the same instrument he is also required, from time to time, to recommend to the consideration of Congress such measures as he shall judge necessary and expedient; and how could he escape the obligation of recommending to Congress some measure relating to prohibition, were the commission appointed by him to render a report, stating that in its opinion there was no reason to hope that national prohibition would ever be satisfactorily enforced?

THE GRAVEST OBSTACLE

With due deference to Mr. Hoover, the wisest thing, in my humble judgment, that he could do would be to recall the restrictions that he has imposed upon the deliberations of his commission, relating to prohibition, and to leave it free, if the facts should warrant such a conclusion, to report that the gravest obstacle to the enforcement of the Eighteenth Amendment is the Eighteenth Amendment itself. His administration, encompassed as it is, in its early morning, by shadows which usually do not thicken so deeply before the dusk of a Presidential term, has so far proved to be a singularly unpopular one; though in its attitude toward some vital questions it has, in my opinion, deserved a far more pronounced measure of Congressional and popular approval than has actually been

bestowed on it. In no better way could Mr. Hoover recover lost ground than by throwing the door wide open to the fullest examination not only of every contention that prohibition can be effectively enforced, if only resolutely and judiciously enforced, but also of every contention that it cannot be enforced, no matter what organized scheme of enforcement may be perfected.

As it is, the only hearty endorsement that the prohibition enforcement ideas of Mr. Hoover have been given would seem to be that of the twenty-four business men, including Henry Ford, who came out in a public letter with respect to them in the early part of last June. In some particulars, a more inept group of advisers for such a man as Mr. Hoover could hardly be imagined. His lack of political horizon and education, his rigid professional training, his trust in shop rather than spiritual agencies for the achievement of results had already made him only too sympathetic with the narrow points of view from which such American citizens as these twenty-four individuals approach the prohibition problem. When we remember how completely, nay ludicrously, Henry Ford, man of genius in his own peculiar province as he was, failed to get "our boys out of the trenches before Christmas," during the World War, we may well doubt the ability of any one who follows his lead to get our "law-abiding citizens," as Mr. Hoover terms them, out of their cups before the Greek Calends.

To begin with, the sympathy with prohibition of some at least of the most conspicuous members of the group just mentioned, is, doubtless, due to the fact that, like myself, they have reached the advanced age

from which La Rochefoucauld's cynical maxim that sobriety is a physical incapacity for strong drink derives no little of its point. For this and other reasons, it is fair to infer that some of the group would have been prohibitionists even if, because of their special callings, they had not been peculiarly interested in straining every point, however nice, to promote unremitting habits of industry on the part of their employes or workers. Such a group could hardly be expected to have much toleration for the view of the English Archbishop who said that he would rather see England free than England sober, or for the general consideration of sound policy, including the frequency with which great captains of industry maintain well-stocked cellars, while urging their workers to be teetotalers, which has, time and time again, impelled the American Federation of Labor to denounce prohibition and all its depraved sequels.

WORKING CLASS SOBRIETY

If it is true that industrial workers are soberer now than they were before the adoption of the Eighteenth Amendment, it must be either because less saloon spirits and more home-made wine are now being consumed by them; or because the steadily increasing self-restraint, bred by the general advance of human civilization and stricter industrial regulations and oversight which set in among our industrial workers even before the adoption of the Eighteenth Amendment, is simply crescively continuing, despite the deplorable reactions against temperance, in many respects, set up by prohibition. But it cannot be true that any improvement has taken place in the drinking habits of our industrial workers that

might not just as well, or even more notably, have taken place, with the onward march of human progress, had the Eighteenth Amendment never been adopted.

The annual reports of the Moderation League, based on statistics obtained from the Chiefs of Police of hundreds of American towns and cities, show that annual arrests for drinking have been ascending to higher and higher totals in the United States since the adoption of the Volstead act. Does any fair-minded man doubt that industrial workers contributed to these totals a volume of arrests fully proportionate to their own numbers? The last quarterly report of the Metropolitan Life Insurance Company evidences the fact that deaths from alcoholism, among its 18,000,000 industrial

policy holders have, with a negligible fluctuation or so, steadily risen from year to year since the enactment of the Volstead act, and during the first three months of the present year reached the highest level since 1917. This report shows, moreover, a lower death rate among the industrial policy holders of the company in Canada, where prohibition prevails in only two small Provinces, than among its industrial policy holders in the United States, where prohibition is at least officially assumed to be everywhere in full force.

With facts like these before him, Mr. Hoover need not fear that the repeal or modification of national prohibition would be followed by any marked moral retrogression in the matter of drink on the part of our industrial workers.

II—The “Wet Propaganda for Violation”

By STANLEY HIGH

EDITOR OF THE *Christian Herald*

TO state the case for prohibition requires a little history, a few statistics, some persuasive reasoning, not much oratory and no epithets. That last, I believe, is particularly important. As a dry myself I have more sympathy with the rabid dry than with the rabid wet—but not much more. In my opinion the weakest point in the prohibitionist's argument is not his figures or his reasoning but his temper. He has been side-tracked by his rage. And it is sound, if revealing, anti-prohibitionist strategy to keep him in a rage in order to prevent his getting off the side-track.

The wets for some time have maintained a persistent and concerted fire upon dry organizations and dry leaders. These attacks are aimed not against prohibition but against prohibitionists. They are obviously intended only to divert attention from the main issue. Their importance for that purpose is greatly enhanced whenever they call forth an answer, particularly if that answer is no less bitter and no more illuminating than the attack had been.

It is not my purpose, therefore, to match adjectives with Senator Bruce. He speaks of the “contracted brain-pan of the prohibition

fanatic." That phrase interests me, not at all because I am a prohibitionist, but because I am an editor interested in any striking use of the English language. But even if I were able to invent a phrase equally expressive, I doubt whether enough editors would see it to justify its use.

Neither is it my purpose to consider, at any length, the Senator's arraignment of President Hoover and his Law Enforcement Commission. Senator Bruce is a seasoned politician. When he writes that the present administration, "encompassed as it is, in its early morning, by shadows which usually do not thicken so deeply before the dusk of a Presidential term, has so far proved to be a singularly unpopular one," I must defer to his judgment. What I might say, by way of reply, could be too easily discredited on the ground that I am not a politician and I am a Republican.

One reference, merely by way of interest, should be made to the Senator's statements relative to the Law Enforcement Commission. He refers to its appointment, by Mr. Hoover, "after an interview with Bishop Cannon." I happen to know of one other man whom the President interviewed on that particular day. Since the Senator lacked or overlooked that additional information I am sure that, in fairness, he would wish me to bracket with Bishop Cannon the name of William Randolph Hearst.

Now there are, in my opinion, two assumptions which the parties to the prohibition dispute can safely make at the outset of any argument. First, it can safely be assumed that a majority of the individuals in both camps hold their positions because of honest convictions. I do not believe that the wet

newspapers—however much I deplore their tactics—stand to gain by prohibition modification and fight for it for that reason. I do not believe that good liquor is so hard to get that the average wet is made wet by his thirst. Whatever his reasons, I believe that they are honest reasons honestly arrived at. If that does not hold for both camps, then it is useless to argue either side of the case and futile to believe that a satisfactory settlement can be found.

EFFECT OF MASS EMOTION

But if the above is true it follows, as a second assumption, that a satisfactory settlement will be reached not through our emotions but with our minds. Mass emotion may have brought prohibition to pass, but it cannot permanently maintain it. Mass emotion may lead to a system of regulation, but it cannot keep us permanently satisfied with it. Propaganda, from either side, that is aimed at our emotions merely prolongs the dispute by stimulating our prejudices. Soon or late our facts will catch up with our feelings, and on that day the issue will be with the facts. To deny that assumption is to deny the validity of our entire method of government.

I indicated at the outset that to set forth the arguments for the dry law required, among other things, a little history. The case for prohibition is not, altogether, a result of the Eighteenth Amendment. It is, in considerable measure, the cause for that amendment. That may be an obvious but it is certainly a neglected fact. The results of the Volstead act and the Jones law are variously appraised. To make that appraisal in terms of today's bootleg trade and liquor killings is prob-

ably good wet tactics, but it is not accurate appraising. Where there have been injustices—not where injustices have been reported—the drys can afford to mourn with the wets, but these injustices, however deplorable, are not necessarily arguments against prohibition. The things, good and evil, that prohibition has brought can only be judged in parallel columns with the things, evil and good, that brought prohibition.

LIQUOR AND CRIME

The bootleg liquor trade and its attendant evils, when judged in that fashion, may furnish evidence chiefly in affirmation of the lesson that much of America learned through seventy-five years of experimenting—that liquor, however vended, is a crime breeder and that the liquor trade, under whatever legal regulations, remains an outlaw. I hasten, of course, to qualify that statement. There was, and is, the great number of those who could drink and leave it alone, who could, to use Senator Bruce's almost poetic phrase, enjoy "the very great and legitimate pleasure of drinking" in relative safety to themselves and to society. Doubtless, too, there was a great company of highly respectable saloonkeepers, whose lives were a source of constant inspiration to the youth of the land and whose shops would have been a welcomed asset in any community.

But leaving aside these commendable exceptions, it remains true that in the judgment of a substantial majority of the American people liquor and the liquor trade were written down as social liabilities.

This judgment will be ascribed, by wet opinion, to prejudice and, in particular, to the prejudice of evangelical churchmen. True, in part.

But the history of this prejudice is interesting. It did not come ready-made. It grew. The evangelical churches have not always been anti-liquor any more than they have always been anti-slave.

The first mild resolutions of the Methodist Church warning preachers against investment in distillery shares were passed less than a century ago. The unequivocal opposition to liquor of the Methodist and many other denominations today is a result, chiefly, of three factors that have developed in the intervening period. None of these factors has its foundation in fanaticism.

In the first place, prohibition opinion grew out of the increased sensitiveness of church groups to social conditions. It was natural that the "social gospel" which is now enlisting the churches against war should, first of all, have turned them against the liquor traffic. Liquor constituted an American problem the results of which were apparent, close at hand, in every American community. Preachers then, as today, were told to stick to their last, to preach the good old gospel and that the corner church had no right to meddle with the business of the corner saloon. But the meddling continued. It continued not because the preacher stood to gain by meddling. More often he stood to lose. It continued because liquor was not a corner proposition. It permeated the entire community. Just how evil were the effects of its permeation the preacher better than any one else save perhaps the doctor was able to judge. And he did judge in no uncertain terms.

Then, in the second place, there was added to these moral convictions against the liquor business the evidence of medical and social and



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STANLEY HIGH

economic specialists. This evidence, incidentally, was of no fanatic's gathering. In fact, the pulpit thunderings against the liquor trade did not become dangerous until doctors and educators and sociologists and industrialists began to broadcast the results of their researches. In the end the school-rooms of the country were hung with charts and textbooks were filled with information—information which still, I believe, is regarded as authentic—of the serious effects of "the very great and legitimate pleasure of drinking." Criminologists and social workers, as a mere matter of routine report, pointed out that a vast preponderance of crimes and social degeneracy in the United States had its source in or was facilitated by

liquor. Simultaneously, industrial leaders, unprejudiced except to their stockholders, began to reckon alcohol among their most serious liabilities.

THE WETS' RECORD

Coincident with this increased information and with the growth of a public opinion based upon it, a third development was under way. Serious efforts were being made to put the liquor trade under satisfactory legal restraint. Prohibition was not on the horizon. A vast majority of those who voted for restraint would not have voted for prohibition. It is noteworthy, however, that prohibition itself has called forth no more bitter opposition than did these attempts to regulate. As far back as 1867 the brewers organized to bring "political action against the candidates disposed to the total abstinence cause." From that time up to the passage of wartime prohibition in 1917 the wet forces fought every measure—local option, zoning, 8 o'clock closing—that was designed to bring the liquor business under any restrictions whatsoever. In fact, it is a difficult mental feat for me, as a remembering dry, to accept at face value the post-prohibition denunciation of the saloon by its pre-prohibition defenders, or share the passionate enthusiasm for temperance through regulation on the part of those who, so long as regulation was an issue, fought every effort to regulate.

But restrictive laws were passed. Whereupon they were violated. Liquor was no more restricted before prohibition than it has been prohibited since. "Bootlegging" and "speakeasies" are not prohibition-made expressions. They hark back to the liquor lawlessness of

regulation days. The city of Omaha, where I lived as a boy, was under a Sunday closing law. I had a morning paper route. On Sundays the frosted front doors of the saloons on my route were closed. But the back doors were always open and inside business proceeded as usual.

And whether regulated well or poorly it was evident that liquor still bred crime; it still produced social outcasts; it still spread poverty, and for all these losses brought no commensurate social gain. Thus the inability to bring the liquor trade within the law, to dress it up and turn it to some good account helped to speed the conviction that the problem would not be solved until the trade itself was abolished. It was this conviction that put thirty States, 85 per cent of the area and two-thirds of the population of the United States under a dry law before the Eighteenth Amendment became effective. It was this conviction that led in December, 1917, to the submission of the Eighteenth Amendment to the States by a Senate vote of 65 to 20 and a House vote of 262 to 128. For the benefit of voters who, like myself, went off to the war and may feel slighted on this issue it might be pointed out that every member of that Congress was elected in or before November, 1916, and that national prohibition, in some form or other, had been before our national Legislature and the country since 1912. Finally, it was the same conviction that the liquor trade could neither be regulated nor reformed that led forty-six States, in record time, to ratify the amendment with a total vote in the State Legislatures of 5,079 for and 1,265 against.

So much for history. A few items, now, of results. Senator Bruce refers to the last report of the Metro-

politan Life Insurance Company which "evidences the fact that deaths from alcoholism among its 18,000,000 industrial policy holders have, with a negligible fluctuation or so, steadily risen from year to year since the enactment of the Volstead act." These figures no dry would wish to deny. But for the sake of clarity, I should like to quote Dr. Louis I. Dublin, statistician of the Metropolitan Life Insurance Company, who, after referring to the above facts, declares: "We may then say that the effect of the prohibition situation on the public health has probably been good where there has been prohibition to an appreciable degree and the situation unsatisfactory to the degree in which there has, in fact, been no prohibition."

LESS ALCOHOLISM

That, in brief, is exactly the dry position. The effect of prohibition has been uniformly good. The effect of the absence of prohibition has been uniformly bad. And I assume that Senator Bruce would agree that prohibition is most notably absent in the very industrial communities from which his figures are drawn. For the country at large Dr. Haven Emerson points out that "the death rate from alcoholism fell to 19 per cent of the pre-prohibition rate and in spite of subsequent rises the rate is now less than 75 per cent of the pre-prohibition rate; the death rate from cirrhosis of the liver fell to 54.3 per cent and has never been nearer than 54.7 per cent of the pre-prohibition rate; the general death rate (all ages, all causes) has for the entire post-prohibition period been at a lower level than in any single year before prohibition."

But I do not propose to match statistics any more than adjectives

with Senator Bruce. It has been interesting to me—doubtless because I am a dry—to note that the national president of the Greeters, national organization of hotel clerks, declared recently that “whether or not conventioners are afraid of the liquor on sale in convention centres or whether they are getting sick of battling next day ‘hang-overs,’ it is hard to state, but there is less drinking in the majority of convention centres. Everywhere about the convention I hear these comments. The day of smashed furniture, ruined rugs and hour doctor calls is coming to an end. Delegates are coming to conventions with their minds on the business at hand.”

I have been interested—as a dry—in the results of the college poll on prohibition conducted in 1926 by the *Literary Digest*, the results of which, according to the editors, revealed “a decrease in drinking among college students and by youth at large.”

It has been of interest, too, to read such opinions as this by the late Warren S. Stone, grand chief of the Brotherhood of Locomotive Engineers: “There are some people who labor under the delusion that they are going to have the prohibition law modified or abolished. Some one should wake them from their Rip Van Winkle sleep. I wish they could go with me for thirty days as I travel over this broad land and see the homes being erected everywhere, note the accounts being opened in savings banks, see the families out together in parks, recreation and community centres, children well fed, with shoes to wear and warm clothing, going to school; see prosperity, happiness and sunshine where formerly there were only squalor and misery. All this as a result of prohibition.”

These judgments are matters of interest to me as a dry. They seem to confirm my convictions. But it is, I believe, in relation to industry that this evidence for prohibition may have its greatest weight. If, as I have tried to point out, prohibition grew out of the conviction that liquor, however vended, fostered social unrestraint, then the argument for its complete abolition is today stronger than ever. For America today can less than ever afford to tolerate social unrestraint. With a population approaching 120,000,000, with our life highly industrialized, with one motor car for approximately every five of our population, there is small place for the individual who runs amuck or for the agency that makes him run.

Senator Bruce objects to Henry Ford's opinion on the relation of prohibition to industry because Mr. Ford tried to get the boys out of the trenches by Christmas. The Senator, doubtless, is right. Mr. Ford is not politically sophisticated. But who can say that he is not industrially sophisticated? Senator Bruce would probably classify Abraham Lincoln as a business failure. But it would hardly follow from that that he was a political failure. And Henry Ford—not the politician but the industrial specialist—remarks about prohibition that “if the law were changed we should have to shut up our plants. Everywhere the United States is keyed up to a new pacc which started with prohibition. The speed at which we run our motor cars, operate our intricate machinery and generally live would be impossible with liquor.”

NEED FOR CLEAR HEADS

The same opinion is borne out in recent correspondence between Professor Irving Fisher and Pierre S.

du Pont, chairman of the General Motors Corporation and chairman of the executive committee of the Association Against the Prohibition Amendment. Professor Fisher called Mr. du Pont's attention to a wartime report of a Senate committee which indicated that "the du Ponts have absolutely prohibited the use of intoxicants by their employes and now with the run of war orders, the prohibition ban has been drawn even closer."

In reply to certain questions put by Professor Fisher, Mr. du Pont wrote in part: "If certain work, involving danger to life and property requires absolute sobriety, I cannot find fault with the employer refusing to employ a man who shows any sign of contact with alcohol. * * * This is no different from refusing to employ a man whose sight or hearing is in any way defective for jobs requiring great keenness in those senses. * * * I employ a number of men for driving motor cars, as I do myself, and there is no prohibition on any of us to refrain from drinking. But I should not take a drink before driving a motor car on a public road, and, to be exact, I should think it well to allow a couple of hours to elapse after taking a drink before driving, lest in case of accident I should be held accountable for something not my fault."

Mr. Ford and Mr. du Pont, in other words, are at one in the opinion that liquor, however moderately taken, is likely to be a menace in a situation that requires a fine and instantaneous sensory adjustment. Mr. Ford, however, recognizes that all of us, in industrialized America, are continually and increasingly in situations of that kind, and that therefore the State should exercise the privilege, which Mr. du Pont

grants to the employer, of prohibiting alcohol.

Here, in fact, is a major dry argument against the establishment, in the United States, of one or the other of the several systems in operation in Canada. There is a vast assortment of statistics available on the Canadian situation. In the matter of statistics, the wets and dries, doubtless, can return broadside for broadside. I have on my desk at the present time an exhaustive article by a resident of Vancouver, British Columbia, setting forth in great detail the failure of the so-called Canadian system in that Province and accompanying his article are photostatic copies of scores of newspaper headlines indicating the lawlessness that has come in its wake.

But whether the various methods employed in Canada to put liquor under the ban have succeeded is one question. Whether all or any one of those methods would work in the United States is an entirely different question. Canada can afford to take risks with liquor which the United States dare not take. Canada today is in the same position in relation to prohibition that existed in the United States some fifty years ago when the local option fight was just getting under way. The total population of the country is approximately 9,500,000, as compared to the 120,000,000 in the United States. The population per square mile in Canada is 2.65, as against 35.5 in the United States. There are few great cities. The country is just emerging from the frontier period. Canada perhaps has room for a regulated liquor trade, although a great number of intelligent, non-fanatic Canadians deny that. But certainly the case for prohibition in Canada is qualitatively

different from the case for prohibition in these highly industrialized United States.

STATISTICS TWO-EDGED

So much for statistics. I have not used many simply because they can be put to such a variety of uses. In fact, I am not so much interested in the validity of the figures themselves as I am in the fact that their use indicates that wets and dries are alike agreed that if there has been an increase in drinking and its attendant evils, that fact is deplorable. The wets, obviously desiring less of liquor and less of its results, offer their figures to prove that some other means than prohibition must be found. The dries, desiring the same thing, offer their figures to prove that, in prohibition, the means has been found.

In view of that agreement on a matter so fundamental, it seems safe to set forth one or two concluding suggestions. For one thing we have the prohibition amendment. Senator Bruce does not like the amendment. I do. But, our personal views aside, there it is. What, therefore, are the wets and dries—desiring a sober nation—to do about it?

Senator Bruce speaks for a considerable school when he answers that question as follows:

"The ordinary American would be a much less intelligent individual than he is if he could not distinguish a manifestly unworkable law from a sound one and had not grasped the fact that it is not by indiscriminate, unmurmuring obedience to laws, good and bad, such as Mr. Hoover counsels, that bad laws are repealed or reduced to innocuous lifelessness, but by outspoken condemnation, protest and in such ex-

treme cases as the British navigation or stamp tax legislation, our own blue laws and prohibition, even by actual violation and public contempt."

Senator Bruce, I am sure, would not be ready to stand for all the implications of that sentence. He puts prohibition down as "a manifestly unworkable law." He advises that, as with the stamp tax legislation, it is to be destroyed by "actual violation and public contempt." But I do not believe he proposes either to stand by his own parallel or to endorse the action that it involves.

There are, it seems to me, three errors here which have a bearing on this argument. There is, in the first place, a difference in the issues at stake. Does Senator Bruce advise revolutionary resistance because "the very great and legitimate pleasure of drinking" is as sacred a right as those for which our revolutionary forefathers fought. I doubt if society owes a debt to liquor so great as to justify any such action for its preservation.

Again, this argument overlooks the fact that the stamp tax was a law passed without representation, whereas prohibition is a law passed through representation. It was the manner of the law's imposition more than the law itself that aroused the Colonials. There is no such ground for complaint against prohibition—not for any one who follows the vote on the wet-dry issue in our national and State legislatures. Can it be that Senator Bruce is weary with the orderly processes of government and, therefore, urges that we take a revolutionary short-cut. Or is it because, having watched the voting, he counsels resistance because he dares not trust the elec-

torate to come out at his position? I hesitate to think so. Senator Bruce unquestionably stands with the honest wets. He wants, as much as any one, to have a sober nation. He merely doubts that prohibition can achieve that end, and apparently doubts also the ability of the wets to convince the nation of that fact.

But that leads to a third and the most fundamental oversight in the Senator's parallel. He neglects to indicate how earnestly, how persistently and for how long the Colonials sought to get along in peace with the British Government. The Revolution was no short-cut. It was a last resort. Even after its outbreak a vast majority of those who were involved still believed that a working agreement with the King could be reached and the British tie maintained. In fact, the very validity of the case for our American revolutionists is found in the patience and honesty with which they sought to avoid the Revolution.

VIOLENCE NO REMEDY

I feel much the same way about the Eighteenth Amendment. Wets and drys, we are agreed that the liquor problem must be solved. For good or ill we have—by the orderly processes of government—adopted a certain method of solution. If that method will not work we may, even after a century and a half's experience in democratic self-government,

resort to violence to change it. But that violence can only find justification if no other method for change is open and if, meantime, we have made every honest effort to discover whether or not a change is necessary.

If a change becomes necessary, it remains for those who have obeyed the law and sought to make it operative to say so. If honest wets were to unite with honest drys for a period of one year and at every point give their unqualified support to the law, the entire issue would, in my opinion, be solved. There are drys who insist that that is precisely what the wets fear most, namely, that the law will have a fair trial. They argue that there is, at present, a widespread wet campaign under way to encourage liquor lawlessness, not in order to find out whether prohibition will work, but in order to prevent its working and bring to pass some more friendly measure toward the liquor trade. I do not accept that argument, because, as I have said, I believe that the average wet is wet because of his honest convictions. But I do agree that to argue for "actual violation" of the law as the way to change it creates the suspicion that here is a question that cannot safely be left to the majority opinion of the American electorate and that, therefore, the will of the electorate must, by violence, be circumvented.

Marshal Foch's Achievements As Military Commander

[Marshal Foch's achievements as a commander have, since his death on March 20, 1929, again become the subject of lively discussion by military experts both in Europe and America. Major General Allen, who makes the following contribution to this discussion, served for over forty years in the United States Army. During the World War he commanded the Ninetieth Division, A. E. F., in the Toul sector, and the St. Mihiel and Meuse-Argonne offensives, and later was in command successively of the Eighth, Ninth and Seventh Army Corps, and finally of the American Forces in Germany. His experiences while in Germany are embodied in his two books, *My Rhineland Journal* and *The Rhineland Occupation*.]

By HENRY T. ALLEN
MAJOR GENERAL, U. S. A., RETIRED

ALTHOUGH Marshal Ferdinand Foch commanded the largest forces of any military leader in history, it does not seem fit to class him among the very few great military chieftains such as Alexander, Hannibal, Caesar, Scipio Africanus and Napoleon. If a comparative study were attempted, it would be more fitting to consider him with modern leaders such as von Moltke, Ludendorff and a few others. In fact, after becoming the Allied Generalissimo, there is an analogy between his operations of direct assault, when the German forces had passed their fighting peak, and those of Grant when facing Lee in the vanishing phases of the forces of the Confederacy.

Before the Franco-Prussian War von Moltke had to his credit the successful campaigns of Schleswig-Holstein and Austria, while Foch's reputation before the World War had been established only as a military student and professor who had

taught the principles and the conduct of war, and written two books on those subjects, both of which are recognized in France and abroad as outstanding treatises on warfare. Both von Moltke and Foch had been considered in their earlier years more theorists than field soldiers. It was Foch himself, a devoted follower of Napoleonic methods, who stated that the results von Moltke achieved "have not been surpassed in history."

The bibliographia and panegyrics of Ludendorff fall far short of what they would have been if Germany had won the war and if his post-war political activities had not alienated the sentiments of many of his own countrymen. Those activities doubtless have influenced the military estimates of others who see in him one of the greatest of modern military chieftains. It was Ludendorff's force and capacity, freely recognized by his chief, Marshal Hindenburg, whom he almost eclipsed, that in a large measure brought about

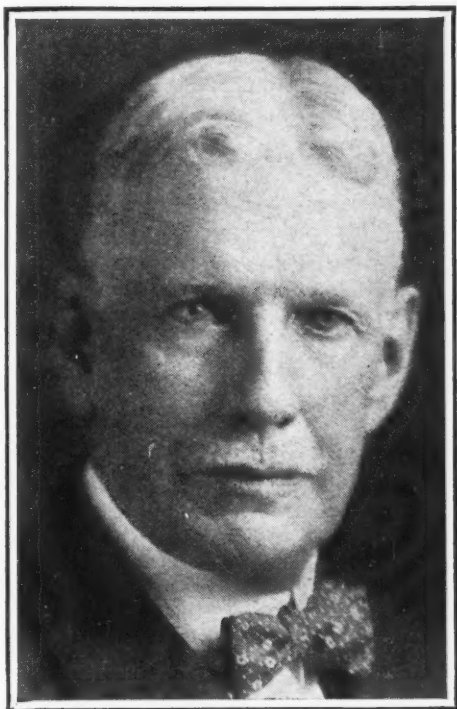
the downfall of Russia and its failure to overrun Germany, the collapse of Rumania, the defeat of the Italians at Caporetto, and all but victory on the Western front. His optimism and aggressiveness were on a parity with those of Foch but, unlike his French adversary, he was not so supremely influenced by the moral and spiritual phases of military leadership. Since the days of the marvelous Carthaginian soldier and those of the hardly less skillful Corsican genius, no one has shown strategic exploit surpassing those of the German General in the marches and battles of Tannenberg and the Masurian Lakes. His enemies cannot fail to give him credit for the masterful handling of the German forces in defeating Rennenkampf and Samsonov and liberating East Prussia.

At the beginning of the war Foch had an important post at the head of the Twentieth Army Corps, which was maintained at war strength at Nancy. This post in itself is indicative of the military capacity accredited to him by the French War Department. His command served as the advance corps in the march into Germany. He thus participated in the unsuccessful battle of Morhange, the only battle of the World War fought on German soil. His losses, particularly of artillery—eighty pieces were claimed by the Germans—caused temporary friction between him and his immediate superior. As Rear Guard Commander, however, Foch conducted the retreat back into France with such skill as to cause the Morhange losses to be condoned. His next fighting was with the same command, reinforced in front of Charmes, the gap between Toul and Epinal, where the strong German advance into French territory was temporarily

halted. As Foch was too young for an important part in the Franco-Prussian War and had not had any colonial service, these battles may be called his first.

FIRST MARNE BATTLE

General Joffre, the supreme French commander at this time, summoned Foch to his headquarters at Chalons for conference. He there assigned him to the command of the Ninth Army which had to be assembled and organized while the French armies were falling back. As commander of the Ninth Army at the left centre of the line in the first battle of the Marne, there can be no question of the superior handling of his forces nor of the important part he played in winning that most sanguinary battle involving the very life of the nation. The Germans say, and with much reason, that Foch, by his continued falling back, was defeated. It now seems well established that the arrival of Grosetti's Forty-second Division, claimed to have decided the battle, did not reach its goal until orders of the German High Command had directed a general retreat. General von Kuhl, Chief of Staff of von Kluck's army, says: "There is no gainsaying the fact that Foch suffered a heavy defeat on Sept. 8 and 9. His headquarters had to be abandoned in haste. The beaten right wing of his army was in full retreat. The next day it was an agreeable surprise for him to find the Germans had left." Without the pressure by Manoury's army, reinforced by Galli ni's automobile army in the Battle of the Ourcq, the first battle of the Marne would have ended in defeat for the French forces of the right, including Foch's army, and inestimable injury to the arms of France.



MAJOR GEN. HENRY T. ALLEN

As an eyewitness of that most bloody struggle wherein the bayonet played one of its greatest rôles in all the battles of the war, where the Prussian Guards clinched with the Moroccan troops in the Gond Marshes and where Château Mondément was taken and lost three times, I believe that Foch is fully entitled to the imperishable reputation which he won by his leadership and persistent attacks. He did not, however, perform a miracle nor did he communicate to General Joffre that current report that his centre was broken, his right was giving away, the situation was excellent, he was attacking. (*"Mon centre cède, ma droite recule, situation excellente, j'attaque."*) He did, indeed, demonstrate his teaching that a battle was not lost until the commander admits defeat. And likewise he was consistent in carrying out his teaching

that the weaker one is, the more he should attack and that the compelling force in victory is the conduct of the commander. General Joffre gives full credit to Manoury's army, a vital factor in the Battle of the Marne, as follows: "Thanks to you, victory has crowned our colors." Galliéni, as Manoury's superior, was entitled to great credit for his part in the Battle of the Ourcq. Yet Foch will remain the hero of the Marne.

The tide of invasion from Belgium to the Vosges ebbed; von Kluck was relieved of his command; the forces on both sides, exhausted and depleted, were ready to entrench themselves for defense, reorganization and supply. Then began the most noted trench warfare in the history of the world.

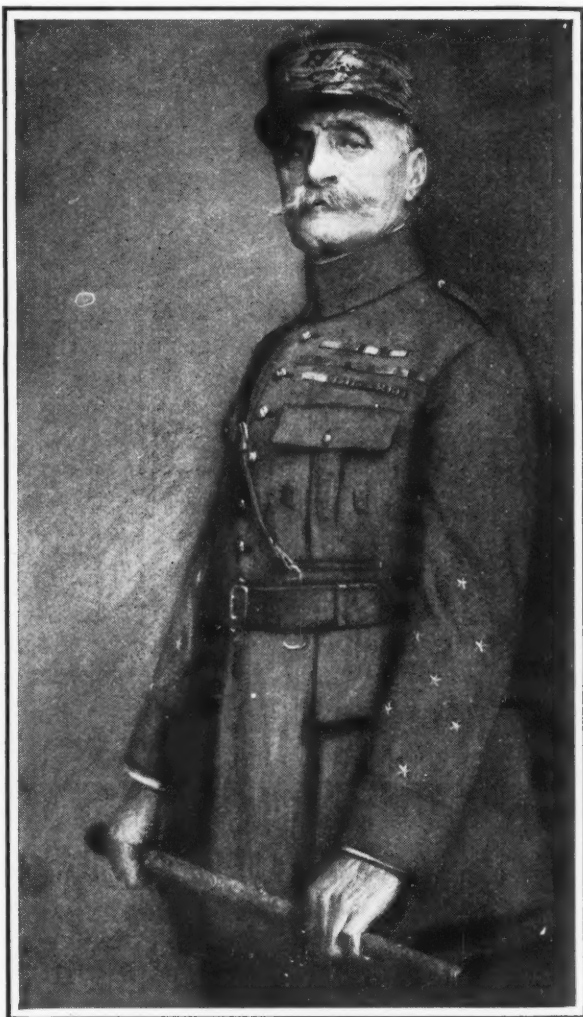
After the Marne battle the allied forces in the south were aligned on two fronts, one from west to east along the Aisne to Verdun, the other from Verdun following the line of forts to the Swiss frontier. A third line extending north from Compiègne, at right angles to the Aisne front, was being extended to the sea. At this stage Joffre decided on a turning movement against the right of the German armies, but for each unit directed to that end the High Command of the adversary opposed a corresponding one, with the result that this north line was continually lengthened in a veritable race to the sea. This huge test in logistics accomplished little toward deciding the fate of the war or in saving Belgium, but it did reach the sea and preserved the Channel ports.

NORTHERN COMMAND

In this Foch had no part. But on Oct. 4, 1914, while at Chalons reorganizing his Ninth Army, he received a telegram from Joffre directing him to proceed north to take

command of all the French forces there with the designation of Assistant to the Commander-in-Chief. This act shows Joffre's estimate of the General who was later to succeed him. Although this new title gave him no control over the British and Belgian armies, it was hoped that he would coordinate the operations of the three nations' armies in the north. General Foch considered his efforts there during the remainder of 1914 and throughout 1915 among his important contributions to the war. Throughout he was insistent upon his passion of attack. Though the hostile lines were not broken, the enemy did not make any important headway against the Allies. Foch was particularly pleased, and justly so, with his tactful dealings with Field Marshal French and the King of the Belgians. In speaking of this period he said:

"I kept the allied lines from abandoning the Yser line. I was not even Commander-in-Chief of the French army. French said to me: 'I am a Marshal and alone am responsible to England for the fate of the British Army. I believe this army ought to retreat and it is going to retreat.' I replied: 'I cannot give you orders. I am merely taking the liberty of offering you my advice. I am thinking expressly of the fate of your army, which I have deeply at heart.' The King in my conference with him said: 'Under the constitution of my country I am



MARSHAL FOCH
From a painting by J. Surronn

responsible to my people for what remains of my army. I cannot sacrifice it.' I replied: 'Sire, consider carefully that very responsibility which rests upon you. You may be certain that you will sacrifice your army if you fall back.' I had simply discovered the secret of commanding. To command is nothing. The essential thing is to understand perfectly the men with whom you are dealing and to make them understand you."

In spite of Foch's aid the sanguinary battles of the Yser River, of which he has been acclaimed the executive brain, yielded only terrific losses to each side and a deadlock in labyrinths of trenches. These battles have been called the First and Second Battles of Ypres, the Battle of Flanders and also the battle for the Channel ports. It was precisely those qualities displayed by Foch during the melancholy days on the Yser and Lys Rivers that later made him the choice of the British and

beginning on July 1, became a vast series of siege operations extending into 1917, but without any notable gains on either side. General Foch had to recognize that his will to conquer could not succeed against superior artillery and the alliance of machine guns and barbed wire. In speaking of this year's major operation he said: "In the Battle of the Somme the two French armies (Fayolle and Guillaumat) and the army of Haig failed to produce all the results which had been hoped for. It was



Times Wide World

Marshal Foch with Marshal Joffre at the dedication of a monument in Metz in 1922

Belgians for the unified command of the allied armies.

SOMME ATTACK IN 1916

The year 1916 was noteworthy for the tremendous joint attack along the Somme by General Foch and Sir Douglas Haig, who had succeeded Sir John French. This campaign,

therefore necessary to find a scapegoat. It was decided to sidetrack me and I was pronounced unfit for duty on medical grounds. Nevertheless, this battle helped relieve the pressure on Verdun." This statement leaves no doubt of the estimate placed upon him by his own government at that time. His persistent

attacks were not sufficient to overcome the material superiority both in man power and munitions of the enemy. Joffre truly said to him at this time: "You have been sent to Limoges. I shall be sent to Limoges."*

Under such conditions it would

but instead he was assigned to head a general staff committee, one member of which was "*mon bras droit*" ("my right arm") General Weygand. He selected the little town of Senlis, north of Paris, as the place of his work. During this period he visited for inspection and study the



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A GROUP OF ALLIED LEADERS

The men highest up caught in conversation at the Amiens railway station in 1918. Left to right: Lord Derby, Marshal Foch, Field Marshal Haig, General Mordacq, Premier Clemenceau, General Weygand and General Rawlinson

have seemed reasonable to retire Foch from active service as he reached the regulation age of 65,

*In the original French phrase attributed to Joffre, the verb *limoger* is used. Limoges was the centre to which the numerous Generals dismissed by Joffre himself had been sent early in the war. (See Liddell Hart's *Reputations*, p. 167.) It is curious to note, however, that another authority uses another word. Thus Jean de Pierrefeu, in *French Headquarters, 1915-18* (English translation, p. 82), writes: "Some days later the note putting Foch at the disposition of the War Minister appeared, signed by Pellé. General Foch came to Chantilly and made so violent a scene in his interview with Joffre that his voice was heard in the neighboring rooms. It is said that Joffre replied: 'You are Stellenbosched, I shall be Stellenbosched, we shall all be Stellenbosched.'"

Belfort-Jura region and, at least once, the Italian front.

By the end of 1916 General Nivelle, who had gained a reputation by his part in the defense of Verdun, succeeded to the command of all the French forces. The moral effect of Russia's collapse in 1916 was enormous, and the added strength to Germany's west front brought about a most serious situation for the Allies. Declaration of war by the United States on April 7, 1917, served as an antidote, a moral one at least, to the increasing enemy divisions. Importunities of

our future Allies at this time to expedite our training, accompanied with declarations of the direst need of increased man power, were forcible and convincing. But good soldiers then as now could not be made in a few weeks. No one knew this better than General Pershing who, on May 26, 1917, became Commander-in-Chief of the American Expeditionary Forces.

Instead of following the policy of successive attacks approved and later successfully used by Foch, Nivelle endeavored to secure his goal by one general attack on a wide front. That attack died down be-

fore the strong German positions of the Cambrai region. This failure was a source of yet more serious concern to the Allies. As a result General Nivelle was, in May, 1917, superseded as Commander-in-Chief of the French armies by General Pétain, while General Foch was made Chief of Staff. As the choice of the French Government of a Generalissimo of its armies lay between these two outstanding military figures, there can be little doubt that the decision was a wise one.

It is hardly probable that Foch could have restored, as did the more

materialistic Pétain, the morale of the many disaffected French divisions after the protracted fighting for Verdun and elsewhere without any signs of victory. Pétain's soldierly bearing and understanding made a greater appeal to the troops. He spoke the language of his men, and gained their confidence by his calm, confident demeanor. He also recognized the fact that their physical and mental forces had been tried almost beyond human limits and that rest, improved food and increased furloughs were essential in restoring their waning spirits.

On the other hand, Foch's long study of military art, his recent valuable experiences of command in action and his personal investigations on the French and Italian fronts would indicate him for his new staff rôle. His unfailing confidence



MARSHAL FOCH AND MAJOR GEN. ALLEN

and assurance on the Piave helped to banish the depression of the Italian defeats.

It was at this time that the French General met the British Prime Minister at the Rapallo Conference on the Riviera. This conference took a very important step in creating a Supreme War Council which should have for its purpose the securing of unity of direction for the allied armies which, leaving out Switzerland, extended from the North Sea to the Mediterranean. The military members selected were Foch for France, Wilson for England, Cadorna for Italy and later Bliss for the United States. It was too early to hope for a unified command under a supreme chief.

BRITISH OPPOSE UNIFIED COMMAND

The terrible fighting of 1917 and colossal losses of both sides had brought about a stalemate during which time each side was engaged in the readjustment of its forces and lines. While the necessity for a unified command under a single head was imposing itself on many thoughtful minds, both Lloyd George and Asquith, voicing public opinion in the House of Commons, declared their objections to putting British forces under a foreign commander.

Throughout the Winter of 1917-18 the situation remained most grave. General Foch was convinced that, owing to the collapse of Russia, the German General Staff would make its most powerful effort early in the new year to overcome the Allies before the forces of the United States could arrive. He recognized the monotonous, painful and depressing influence of trench warfare when he declared that "the allied forces were worn out. Their human reservoir began to be drained, and by a cruel fate Russia

had just deserted." The situation for the Allies at this time would have been hopeless had not strong help been assured by the United States, although at the end of 1917 there were less than 200,000 American soldiers in France and only one division at the front.

Apprised through various sources of the proposed Spring attack of the Germans, the Allies had taken in vain every precaution to meet it. The first blow of this Kaiser-Battle or the great German drive began on March 21 and continued until April 5. The losses to the Allies, particularly to Gough's army, were very great. The advance on a fifty-mile front was driven to a depth of thirty-seven miles with the railway centre, Amiens, as its principal objective. It was made with the most formidable force the world had known up to that time.

HINDENBURG'S VIEW

In spite of this great progress, Marshal von Hindenburg wrote: "We ought to have shouted into the ear of every single man: 'Press on to Amiens. Put in your last ounce. Perhaps Amiens means decisive victory. Capture Villers-Bretonneux whatever happens, so that from its heights we can command Amiens with masses of our heavy artillery!' It was in vain; our strength was exhausted * * * The French appeared, and with their massed attacks and skillful artillery saved the situation for their allies and themselves."

Had von Hindenburg seized Amiens, he would have separated the two armies, thus driving the British to the Channel and the French into Paris. In a word, it would probably have been complete defeat for the Allies. Had this victory been less great and the danger of complete allied defeat less grave,

the British would not have consented to put their troops under a French General. In the language of General Pershing, the lack of complete cooperation among the Allies on the western front was now fully appreciated and after much discussion, "during which my view favoring such action was clearly stated, an agreement was reached, and General Foch was selected," not as the Chief Commander but as the Chief Coordinator. The strategic direction of military operations was accorded him, but each Commander-in-Chief retained to the fullest extent the tactical direction of his own forces with right to appeal to his government if his army were "placed in danger" by the instructions received from General Foch. It was not until April 16, 1918, that President Wilson and Premiers Clemenceau and Lloyd George agreed upon Foch as the real Commander-in-Chief.

In speaking of his selection General Foch said: "Lloyd George contributed most toward a unified command. He even invented me." Lord Milner, Field Marshal Wilson and Sir Douglas Haig favored Foch above any other French officer, not solely by reason of his military talents but largely on account of his tact and better understanding of the British. Some idea of Foch's concept of the high allied command is obtained from his own remarks: "Materially, I do not see that victory is possible. Morally, I am certain that we shall gain it," and further, "the Allies take a lot of handling. You cannot order them about. The British are one thing, the Americans another, the Belgians and Italians are another. You do not give orders. You suggest. To understand war you must go beyond

the instruments and materials; you must take account of the man."

AMERICAN ARMY POLICY

The policy of the United States with respect to the use of its troops was definitely fixed, while the first blow of the Great German Drive was under way, by President Wilson's approval of the recommendation made by Secretary of War Baker, General Bliss and General Pershing. Pershing was to use all military forces of the United States "in such a manner as to render the greatest military assistance, keeping in mind always the determination of this government to have its various military forces collected into an independent American army acting in concert with the armies of Great Britain and France." Only the gravity of the crisis at this time caused General Pershing, while visiting General Foch at Bombon, to place all our combatant forces at the Generalissimo's disposal, thus delaying the organization of an American army in Lorraine.

The second blow of the Great German Drive, lasting from April 9 to 30, took place on the Lys River. The Germans more than ever were determined to win victory before the Americans arrived in force. The Allies' morale was at its lowest ebb; there was no thought of an advance by them. They were simply holding on awaiting reinforcements from over the Atlantic, without which the war would be lost. The initiative was wholly in the hands of the adversary. This second phase of the Great Drive, known as the Battle of the Lys, in the language of Buchan, "all but destroyed the British army; but it saved the Allies' front, and in the long run gave them the victory." These were indeed days of depression and despair for

the Allies. Marshal von Hindenburg reported that, "if no French had arrived, England would probably have been lost in Flanders. Yet in England's dire need this help was once more at hand." Again the vital Channel ports of Boulogne and Calais with their supplies were saved, and perhaps also the bombardment of the south coast of England by "Big Berthas."

When the third and heaviest blow of the great drive took place, the Germans still had the priceless advantage of interior lines. This drive, beginning on May 27 and reaching its limits on May 31, is known to us as the Aisne offensive. Foch has been criticized for having placed the greater part of his reserves too far north. This actually happened, but with such a skillful adversary their disposition doubtless influenced the place of attack. This blow was like a tidal wave; it advanced thirty-two miles in seventy-two hours. The northern bank of the Marne for ten miles was reached, and 35,000 prisoners and 400 guns were taken in those three days. This drive was directed on Paris, and, without the moral and physical aid of the Americans it would have reached its goal. Thus far the skill of the new Generalissimo had not been crowned with any outward indication of success. A Frenchman, in speaking of the swarms of Americans that packed every road, said: "We felt as if we were witnessing the magic effect of a transfusion of blood. It was as though life and vigor were flowing in warm waves through the exhausted body of France."

GERMANS' LAST OFFENSIVE

The tide was now about to turn, though the enemy was to make one more assault. Ludendorff deter-

mined upon July 15, 1918, for his *Friedensturm* which was to conquer the Allies' final resistance. This offensive on a front of nearly thirty miles was directed to the south, with Rheims as its central object. It reached the Marne at Château Thierry and was definitely checked, as is well known, largely by the aid of the Americans. The defensive fighting that followed was not to the Marshal's liking. General Mangin has related how Foch, when Pétain would have halted the attack and resumed the defensive, ordered it to continue. His decision gave the Allies the initiative, never to be lost. By July 18 the Marne salient was reduced.

Thus ended the Second Battle of the Marne; thus ended the *Friedensturm*, after which Foch became a Marshal of France; and thus began a series of aggressive operations culminating in victory for the Allies four months later. The Berlin bulletin referring to the battle of July 18 simply states that "the French attacked with heavy forces and tanks between the Aisne and the Marne and made some gains. Our reserves have been brought into action." Referring to Aug. 8, however, the statements of both German leaders, von Hindenburg and Ludendorff, have left no doubt of a real defeat in front of Amiens. The Canadians, Australians and tanks were the chief factors in this victory, which had a tremendous political effect in Germany. That defeat was thus far Germany's "blackest day." From that date the war became a purely defensive operation for von Hindenburg, with Foch relentlessly following attack with attack.

No one who is unfamiliar with the details of the pressure put upon our government by the Allies to dis-



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GENERAL PERSHING AND MARSHAL FOCH

tribute its forces among theirs can conceive of the difficulties encountered by the American Commander-in-Chief in preventing such a dispersion as would preclude the organization of an American army. Whatever friction may have arisen between Pershing and the high French authorities throughout his service in France can be attributed more to his unwavering determination, supported by the President, to

organize a national military entity than to all other causes.

By the end of July, 1918, the American forces in France available for military operations had increased to nearly 1,250,000 men—a most potent factor in future operations. Pershing's early attention had been attracted to the St. Mihiel salient created by the Germans in 1914, and it was agreed that he was to utilize an American army there for the purpose of reducing it. Our ports of embarkation, our supplies and line of communication all pointed to Lorraine as our theatre of operations. The time agreed upon for the St. Mihiel operation was about Sept. 10.

Again the old effort to disperse the American forces was renewed. Marshal Foch called upon General Pershing at Ligny-en-Barrois on Aug. 30, 1918, and outlined his

plan for a general concentric movement against the enemy—while the British and the left and centre of the French armies continued energetic operations on their fronts, the French right and American forces should attack toward Mezières, to the west of the Meuse; the St. Mihiel operation would be carried out at the specified time with a reduction to eight or nine American divisions attacking only on the

southern front of the salient; the big offensive west of the Meuse River would follow in two successive blows, the first, between the river and the Argonne Forest, being prepared and launched by the French Second Army, reinforced by four to six American divisions; the second, west of the Argonne, by the French Fourth Army, with eight or ten American divisions on its right.

It was but natural that these proposed plans of Marshal Foch, regardless of whether or not they would have succeeded, would be rejected. They failed to consider the tremendous part the United States had taken in furnishing the sinews of war, as well as to take into account American pride and dignity. In so far as the Marshal failed to assign greater value to these elements he was recreant to a broad aspect of psychology, even though supported by his civil superiors in his proposals.

The discussion on this occasion became very tense. Finally the Marshal turned to General Pershing and bluntly said: "Do you wish to go to the battle?" Without hesitating, the reply was: "Most assuredly, but as an American army * * * Give me a sector anywhere you decide and I will take it over at once."

It is true, as the Marshal then stated, that the American forces lacked artillery and services. That shortage, however, was due to the earnest pleas of the Allies that America send over infantry and machine gunners to the virtual exclusion of the services and auxiliaries. In a letter sent to the Marshal the following day, the General wrote: "In your capacity as Commander-in-Chief, it is your province to decide as to the strategy of operations, and I abide by your decision. However, there is one thing that

must not be done, and that is to disperse the American forces among the allied armies; the danger of destroying the fine morale of the American soldier is too great, to say nothing of the results to be obtained by using the American Army as a whole."

Notwithstanding all this, an agreement was reached whereby both the north and south sides of the St. Mihiel salient were simultaneously assaulted and carried by an American army reinforced by the French; and likewise the difficult region between the Argonne and the Meuse was carried by an American army with French assistance.

There has always been a question in the minds of some as to whether it would not have been wiser to have placed a weaker force in front of the Mont Faucon region, the Thermopylae of France, and to have made the principal drive of the right between the Meuse River and Metz for the Sedan-Metz railway and the Briey Basin. With that railway in possession of the Allies, the Germans could not have remained in Northern France. The distance involved was shorter and the difficulties of terrain were less. Fate and Marshal Foch willed it otherwise.

The Argonne-Meuse offensive in which more than 1,000,000 Americans were engaged was our greatest contribution to the World War; it was by far the greatest military exploit in the annals of our country. Unfortunately there was little or no opportunity to display strategic talent; it was in accordance with Foch's instructions, "a direct frontal attack against strong hostile positions fully manned by a determined enemy." Moreover, the enemy knew that it was absolutely vital to his armies that this attack should not succeed. By the middle of the

month he had brought up fifteen reserve divisions to maintain his hold. At this time our advance of seventeen kilometers was slowed up and a pause of nearly two weeks followed. Although General Pétain agreed that all the American divisions were essential to maintain their battle against that vital German pivot, the agreement was not carried out, and two other American divisions were detached to assist the Sixth French Army in Flanders.

Mention is made of this detachment in connection with the recent public comments concerning Premier Clemenceau's insistence on the removal of General Pershing during this pause. The part that Marshal Foch took in this effort to oust Pershing is of keen interest to the American public and doubtless our Commander-in-Chief will see fit in due time to set forth the facts in the case. General Pershing fortunately retained throughout the campaign the strong support of the President, the Secretary of War and, above all, of a vast majority of his own forces.

Finally, the elaborately prepared positions of the enemy were successfully assaulted and the Hindenburg Line was broken; the almost impassable Argonne Forest was taken; an advance of twenty-one kilometers was effected; 18,600 prisoners, 370 cannon, 1,000 machine guns and a mass of material were captured. Under the directives given General Pershing by the Generalissimo there was scant opportunity for manoeuvre. Rather was the American problem a direct assault. Owing to the very great difficulties of this undertaking, and in a degree also to the newness of our organization, this booty was purchased at a high cost in blood. In reporting on this offensive, however, Ludendorff said that "only in consequence of the

American advance in the Argonne and to the east of it, the Third German Army was obliged to withdraw behind the Aisne and the Aire during the nights between Oct. 9 and 12."

The final phase of the World War began in a general attack on Nov. 1, 1918, along the stupendous battle-front from Alsace to the English Channel. This was the climax of Foch's military achievements and was so effective that the enemy appealed for an armistice on Nov. 6, rather than risk complete disaster to his armies.

The time and terms of the armistice were largely in the hands of the Marshal. On the part of Germany it was believed that peace was to be made in accordance with the fundamentals set down in President Wilson's communications. That the enemy was not required to lay down his arms on the battlefield and that peace was not made on German soil was due more to Foch than to any other. While his praiseworthy desire to avoid shedding more blood was uppermost in his mind, probably his decisions would have been otherwise had he known the full significance of the Kiel mutiny and the chaos in rear of the German Army resulting in the revolt on the Rhine two days before the armistice was signed. In referring to a further advance the Marshal stated to me that "if the Allies had marched on to Berlin, we could not have demobilized our army; you could not have demobilized your army; it would have been necessary to hold all that country"—indicating the region from Hanover to Cassel by a broad sweep of the hand over his wall map. With the rapidly decreasing numbers in the French and British armies and the ever-increasing strength in the American, there

were some French soldiers who feared that, if the war were carried on until the Spring of 1919, the United States might demand that the supreme command should pass to Pershing, and in consequence Europe would have an American peace imposed on it. I am not aware that Foch shared this view.

It is vain to attempt to forecast what unusual talents Marshal Foch would have shown had the adversary been stronger at the time he became the supreme chief, and had a further advance been envisaged with ever longer supply lines. As it was, the difficulties of supplying the advancing armies, vaster than history had ever recorded, were becoming very difficult at the time of the armistice. The Marshal's policy of continuous attacks at different places and times along the great front precluded the enemy's effective use of his diminished reserves and brought about advances that were straining the supply departments to the limit. This also must have had influence on the Marshal's decision to advise peace.

Yet when one thinks of the greatest soldiers who not only transported troops and supplies into remote countries, but even organized armies on foreign soils and carried on successful war for years, it can be seen that the Marshal's problems were relatively simple. His success demanded neither the talents of a great organizer nor of a master logistician. He was the great exponent in France of the extreme offensive. Battles were not to be won by holding riverfronts nor in trenches. In the end he was favored by fortune and could develop his policy of attack unstintedly, even with limited precaution as to security.

No words of mine can add to or detract from the reputation of Mar-

shal Foch, or impair the esteem in which the memory of that great soldier is held. A believer in the efficacy of moral and spiritual rather than materialistic forces, he concerned himself little with the great problems of material and transport. He fully appreciated the importance of issuing directives and leaving the execution and responsibility of mastering details to lower instances. He was not possessed of great magnetic power nor of unusual capacity for detail or organization. His marvelous Weygand supplied those deficiencies. His modesty was equaled by his well-known devoutness, which carried him to modest shrines in the town and village churches whenever opportunity presented itself. While he was to be admired both for his many personal and official qualities, yet it may be said that any one of the Commanders-in-Chief of the allied armies could have achieved victory with the inexhaustible American reinforcements after the terrible but futile blows of the Great German Drive.

Although it never fell to the lot of the Marshal to show such strokes of genius or to reveal such military inspirations as would place him among the few very great military chieftains of the world, his place in history is secure. The fact that he was selected by all the allied countries fighting in France as Generalissimo of their forces assures him military immortality.

His vision and nobility of soul are depicted by himself in his oration on the occasion of the anniversary of Napoleon's death as follows: "He forgot that a man cannot be God; that beyond the individual there is the nation; that beyond men there is morale; and that war is not the supreme goal, for beyond that there is peace."

America's Increasing Economic Stability

[Mr. Hunt, who is secretary of the Committee on Recent Economic Changes in the United States, which was appointed by Mr. Hoover when Secretary of Commerce, in the following article summarizes the findings of that committee as set forth in its recently published report—one of the most important documents in the whole history of American economic development.]

By EDWARD EYRE HUNT

WHEN Secretary Herbert Hoover, as chairman of the Unemployment Conference of 1921, set up in 1922-23 a committee under the leadership of Owen D. Young to study business cycles and unemployment, he had in mind an exploration of the possibilities of controlling booms and slumps in business. In 1924-25 he set up a similar committee on seasonal operation in the construction industries, to explore the ways in which the seasonal ups and downs in building and construction might be controlled. In 1927 when he arranged to set up a third committee—the Committee on Recent Economic Changes in the United States*—under the same auspices, but this time under his personal chairmanship, he intended for it to survey the possibilities of stabilizing the American economy as a whole. The period to be covered was the decade since the World War, with

particular emphasis on the years since the recovery from the depression of 1920-21.

The National Bureau of Economic Research, Inc., of New York, under Dr. Wesley C. Mitchell and Dr. Edwin F. Gay, was selected to plan and to direct the research. Funds were provided by the Carnegie Corporation and the Laura Spelman Rockefeller Foundation, and work began in January, 1928. In the two-volume report which has just been published is the committee's answer to the fundamental problem of maintaining economic equilibrium, along with the extensive fact-finding reports of the National Bureau and its many collaborators. No report so ambitious in scope has ever before aroused such keen public interest, and this interest has been felt by the members of the committee to be itself an important economic change. We can no longer say, as Frank Vanderlip once said of us, that we are "a nation of economic illiterates."

Observers, foreign and domestic, have been impressed with the "immense advance" of the last decade, which, some hold, has made the United States "the first power in the world." Which of the many

*The committee consists of Herbert Hoover, chairman; Walter F. Brown, Renick W. Dunlap, William Green, Julius Klein, John Lawrence, Max Mason, Adolph C. Miller, Lewis E. Pierson, John J. Raskob, A. W. Shaw, Louis J. Taber, Daniel Willard, George McFadden, Clarence M. Woolley, Owen D. Young, and Edward Eyre Hunt, secretary.

post-war changes are most significant for ourselves and for others? Has our post-war experience been unique? Has it earlier parallels?

Thirty years ago there was a period somewhat like the last seven years. In an article entitled "The New Prosperity," by Ray Stannard Baker, published in *McClure's Magazine* for May, 1900, the "marvels of growth, expansion and prosperity" of the year 1899 in the United States were summed up in a sentence: "And every barn in Kansas and Nebraska has had a new coat of paint." Mr. Baker wrote that after paint comes "a new front porch, the piano, and the boys off to college." The country—it still was "the country"—was buying new top buggies. There was more business in buggies than in any previous year, twice over. The top buggy, invented by Thomas Jefferson, had taken nearly one hundred years to reach the farmer, but it had got to him at last.

Farm prosperity in 1900 was the key to prosperity in every line. Mr. Baker wrote: "It is curious and wonderful to see how exactly the industries of the world tread in lock-step, and how the man of the soil, the farmer, towers huge and powerful at the head of the line. When his tread is slow and heavy, the ironmaster, the transporter, the miner, the manufacturer, must also tread slowly, and depression and hard times are abroad in the land. But when the man of the soil increases his speed, those behind him move more rapidly; for he represents the world's primary need—food."

POST-WAR CONTRASTS

If we contrast our post-war period with that described by Mr. Baker—also a post-war period, for the Spanish War ended in 1898—we see in

the first place a period of great activity in which the farmer has not towered at the head of the line but has been somewhere in the middle or toward the end of the procession. We see a period in which anxiety about food has practically disappeared in the United States. The Committee on Recent Economic Changes remarks that "we no longer look on food as a luxury or as a primary source of pleasure." We see branches of agriculture suffering by reason of the decline in demand for certain staple foodstuffs. The change in the relative position of agriculture is an outstanding difference between "the new prosperity" of 1900 and that of 1922-29.

Instead of the new front porch we have seen the development of construction into a balance-wheel for industry, with annual programs mounting to \$7,000,000,000 a year—\$2,500,000,000 of it for new homes. Instead of the piano, we note the radio, giving price news, weather reports, and an endless round of entertainment and instruction. Instead of the top buggy, we observe the ubiquitous automobile and the tractor. Instead of some thousands of boys off to college we find that there are a million girls and boys going in for higher education every year.

Nevertheless, Mr. Baker's prosperity picture is noteworthy, for all its quaintness. The period of which he wrote and the years just following it, ending in the panic of 1907, were characterized by a record-breaking increase in production—greater than in the period studied by the Hoover committee. His "new prosperity" was in part the result of the South African War, which for the first time forced London to buy money in New York. It was a period of sharply rising prices.

We know how that prosperous period closed. What about ours? Is it to follow a similar course? The report of the Committee on Recent Economic Changes does not indulge in prophecy, but the reports of its experts show significant differences between our period and that which ended in 1907.

Mr. Baker's was a period of increased productivity per capita, but not nearly so great as ours. His was a period of greatly increased gold production; ours of an unprecedented influx and then an equally extraordinary outflow of gold, the shock of which has been cushioned by the Federal Reserve System, which did not exist in 1900 or in 1907. Mr. Baker's, like ours, was a period of improvement in technique, but ours has been pre-eminently a period of better utilization of time and materials, and the elimination of waste. His was a period of labor unrest; ours has been notable for the scarcity of labor troubles. Most striking of all, Mr. Baker's was a time of rising prices, which continued throughout the pre-war period, mounting 2.3 per cent a year; at the same time the purchasing power of wages was rising only 0.5 per cent a year. Ours has been a time of falling prices, averaging 0.1 per cent a year from 1922 to 1927, while wages have risen 2.8 per cent a year. As Mr. Baker's new prosperity matured, the purchasing power of labor and the farmers was steadily impaired; in ours the purchasing power of these two great groups of consumers has steadily advanced. His period prepared the way for the "trust busting" era and class consciousness; ours has been notable for social and economic solidarity.

In these vital differences in per capita productivity, in price rela-

tionships, in wages and the cost of living the Hoover committee finds "a huge gain which is reflected in all parts of the economic organism." The workings of that organism are described in the chapters of the survey beginning with consumption and the standard of living. That this topic was given first place is important. It is recognition of the tendency to find in changing standards the source and mechanism of further improvement, social and economic.

CONSUMER DEMANDS

Dr. Leo Wolman, the author of the chapter, paints a revolution in consumer demands. The insatiable demand for education and recreation, the outlays for conservation of health, are presented as a foreword to amazing shifts in food habits and in the demand for manufactured goods. Changes in food fashions have been very important in the last few years. We have greatly increased our consumption of green vegetables and milk. Consumption of vegetable oils and sugar has greatly increased. Celery, carrots, spinach, lettuce and snap beans have risen in favor; apples, potatoes, cabbage and onions have been about stationary. In manufactured goods cigars, manufactured tobacco and snuff have been losing; cigarettes have gained enormously. We appear to be purchasing fewer as well as scantier clothes, but we are buying more millinery and laces, more silks, rayon and knit goods, and more rugs and carpets. In housing our standards have greatly risen, although little material is available to show how large a part of the population is still inadequately housed.

The changes described in Dr. Wolman's chapter explain in some degree the chapters which follow.

Industry, analyzed by Dexter S. Kimball and L. P. Alford of the American Engineering Council, and Dr. William L. Thorp of the National Bureau, covers successes and failures, the extraordinary post-war drive for cost reduction in American industries, the growing application of science, industrial migrations and mergers, the tendency toward a more equal distribution of manufacturing throughout the nation, the decline in manufacturing in the larger cities and the gain in the rural areas.

Construction, by Dr. John M. Gries, shows that our annual construction program is \$7,000,000,000 and that this has been carried on in the last seven years in such a way as to help stabilize and act as a tonic on general business conditions.

The railways, described by Professor William J. Cunningham of Harvard, are shown to have played a major part in speeding up business and reducing inventories. This improvement in rail transportation service has been characterized as "probably the most outstanding industrial accomplishment since the war." The record of our oceanic shipping is less satisfactory, but even here, as E. S. Gregg shows, progress has been made, and the influence of the Panama Canal has been profound.

Marketing, by Professor Melvin T. Copeland of the Harvard Business School, analyzes changes in demand and in retail trading areas, hand-to-mouth buying, changes in distribution, cooperative marketing, instalment selling, and advertising. The extraordinary importance of radio in creating uniformity of consumer demands, the influence of knee-length skirts on the fortunes of the woolen and worsted industry, and electrical household appliances as

toil reducers seem like a prelude to the revolution in trading areas and trading habits which has been brought about by automobiles and hard-surfaced roads. The country is growing more urbanized; cross-roads stores are disappearing, and the widening of the radius of shopping is developing specialization in merchandising. The growth of the chain stores is a striking example of this change. Even the great mail-order houses have recently been driven to launch chains of retail stores, and agricultural cooperatives are also feeling the pressure of these developments. Instalment selling proves to be an old and familiar device when carefully examined, and Professor Copeland thinks it is doubtful if instalment sales have increased more rapidly than total retail sales since 1923. Advertising, too, for all its huge growth in recent years, shows little that is new, although much that is important to complete understanding of recent changes in demand.

UNEMPLOYMENT

Under Labor, Dr. Wolman explains the influence of restrictive immigration on our labor supply; the slight decline in wage rates during the severe depression of 1920-21 and the high level of real earnings in the past seven years; the high productivity of labor, and the course of employment since the war. As the activities of the Hoover committee are an outgrowth of the President's Conference on Unemployment of 1921, the section dealing with unemployment is particularly interesting. Dr. Wolman concludes that unemployment in 1927 was less than half that of 1921 and considerably below 1922, but throughout the whole period he notes that there has been a persistent and large volume

of unemployment, even in the very active years—1920, 1923 and 1926. The percentage unemployed (a yearly average), according to his estimates, was 5.1 in 1920, 15.3 in 1921, 12.1 in 1922, 5.2 in 1923, 7.7 in 1924, 5.7 in 1925, 5.2 in 1926, 6.3 in 1927.

Henry S. Dennison writes of management, describing what most students regard as the key to recent developments. The chapter describes prevailing devices and policies in organization, functionalization, executive technique, budgeting, purchasing, and a score of other topics. He asserts that the art of management turned a corner in 1921, and that today there is not only more production per man, more wages per man, and more horsepower per man, but more management per man as well.

Agriculture is treated in the survey under various heads, but also receives separate treatment by Dr. Edwin G. Nourse of the Institute of Economics. The depression in agriculture is shown to be due to impairment of foreign purchasing power, the competition of rival producing countries, and, in the domestic market, to changes in consumer habits and industrial processes, and the substitution of the gasoline engine for horse power. He also lists the disproportionate rate of supply in many branches of farming owing to war stimulation, and various expenses, such as freight and wages. As probably the most important factor Dr. Nourse lists the rapid advance of power farming during and since the end of the World War. The long-run prospect for the nation as a whole he believes is distinctly favorable.

A striking contribution to the survey is made in the chapter on price movements and related industrial changes, by Dr. Frederick C. Mills

of Columbia University, who believes that our economic system is moving toward stability. In the following table he gives the heart of the discussion:

ECONOMIC MOVEMENTS IN THE UNITED STATES, 1922-27*

SERIES	Average Annual Rate of Change	
	1922-1927	Per Cent
Primary production.....	+2.5	
Production of manufactured goods..	+4.0	
Ton-miles of freight carried.....	+4.0	
Employment in factories.....	-0.7	
Factory payrolls	+1.7	
Per capita earnings, factory employees	+2.4	
Wholesale prices, all commodities..	-0.1	
Wholesale prices, products of American farms in raw state.....	+1.2	
Prices of commodities at the farm..	+1.1	
Wholesale prices, non-agricultural products	-1.8	
Profits, industrial corporations.....	+9.0	
Dividend payments, industrial and miscellaneous corporations.....	+6.8	
Prices, industrial stocks.....	+14.1	

*Computed from data for the period 1923-1927.

Money and credit are presented by Professor O. M. W. Sprague of Harvard and Dr. W. Randolph Burgess of the Federal Reserve Bank of New York. Recent developments in the stock market, higher money rates, and the policy of the Federal Reserve System have aroused unusual interest in this section of the survey. The average level of money rates from 1922 to 1928 is shown to have been lower for commercial funds and higher for speculative funds than in the years before the war. The principal influence toward rapid growth of bank credit and easy credit conditions was gold imports. Savings have been in unusually large volume. Self-control has characterized general business activity.

Foreign markets and foreign credits are described by Dr. James Harvey Rogers of the University of Missouri, who shows that the volume of our visible exports is about

10 per cent of our domestic production of exportable articles, and that while the values of our exports and imports have increased the proportions which they make up of our total production have declined. The emigration of American industries themselves, he holds, is perhaps the outstanding change in our foreign commerce in recent years.

Dr. Morris A. Copeland of Cornell in "The National Income and Its Distribution" comes to grips with a problem of the first magnitude—the problem of determining who or what is securing a major share of post-war prosperity. The total realized income in 1928, he believes, reached the stupendous total of about \$89,000,000,000, or about \$745 per capita. During the past seven years it has considerably exceeded all previous records, even when price changes are allowed for.

The share of employes in the national dividend has increased from the pre-war figure. About two-thirds of the employes' share goes to wage earners. There has been a decline in the proportion of total income going to stockholders. Examining the prosperity of various industry groups, we find that the most important shifts are the declining importance of agriculture, and the increasing importance of government and of merchandising. Over 40 per cent of the population and nearly 60 per cent of the income are concentrated in the eight Middle Atlantic and East North Central States. New England's income in the last few years has not grown as rapidly as the income of the country as a whole. Less than 7 per cent of the national income is received in the Pacific States, but the per capita income there is higher than for any other region.

In a final review Dr. Wesley C. Mitchell asserts that recent developments are the result in the main of increasing application of science to the work of producing, transporting, manufacturing and distributing goods. He holds that the greatest check which economic progress has received since the Industrial Revolution was inflicted by the World War. He does not think that the United States profited by the war, showing that average real income per capita during the eight years of war and post-war readjustments, 1914 to 1921, was less than the per capita income of 1913.

As an authority on the movement of business cycles, Dr. Mitchell presents a very important section showing that it is a mistake to assert that business cycles have been "ironed out" since 1921. On the other hand, he maintains that in addition to the other accomplishments listed in the survey the amplitude of cyclical ups and downs has been reduced. While disclaiming the rôle of prophet he concludes his review on a note of admonition: "Past experience, as summed up in the introductory chapter, suggests that the pace will slacken presently, and that years may pass before we see such another well-maintained advance. But that is a matter in which experience is not a trustworthy guide. Scientific research, industrial invention and business pioneering all lead into the unknown. They are fascinating ventures which energetic minds will ever be trying, whether the tangible rewards prove great or small. All that is certain is that whatever progress in efficiency we continue to make must be won by the same type of bold and intelligent work that has earned our recent successes."

The Problem of British India and the Indian Native States

[The writer of this article is a graduate of Oxford and former Professor of History in various parts of the British Empire. He has served the Government of India in a number of important positions and has been Secretary to the Chancellor of the Chamber of Princes. In addition to occupying the position of Foreign Minister of Patiala, he is an adviser to the Princes of India on proposed constitutional changes affecting their relations to the British Crown and to the Government of British India. He recently visited this country.]

By *L. F. RUSHBROOK-WILLIAMS*

FOREIGN MINISTER OF THE STATE OF PATIALA, INDIA

MANY people seem to think that Britain rules India. This is a mistake. She has never done so in the past; and it seems pretty certain that she will never do so in the future. There is, it is true, a large area of India totaling about 900,000 square miles, which is governed by Britain. In this territory live 250,000,000 people who are as much subjects of King George as any native-born Britisher. But there is also a territory totaling nearly 700,000 square miles which Britain does not rule; and the people who live there, 70,000,000 in number, are not subjects of King George but are subjects of their own sovereigns, who admit King George's protection.

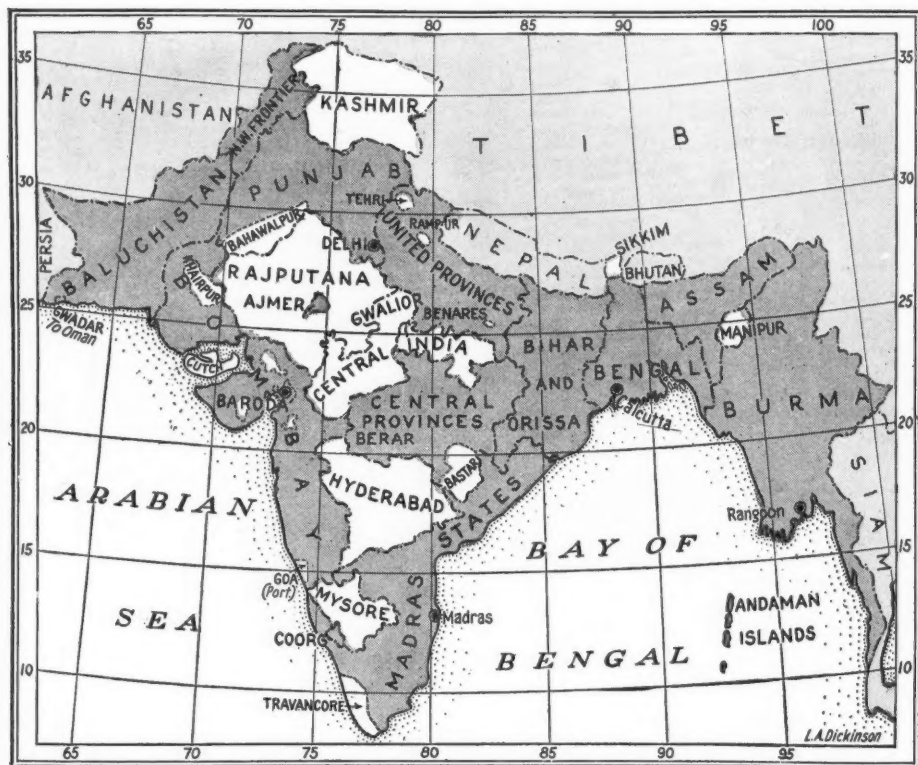
There are more than 100 important States in this non-British India; and some 450 very much smaller States which are of considerably less political importance both individually and in the aggregate. Each of the important States stands in a definite relationship to the British Crown, which is regulated by a series

of mutually binding treaties and engagements. In their internal affairs the important States are autonomous; possess their own laws and legal machinery; their own police; their own medical and sanitary services; their own educational systems, and their own troops. As a glance at the map on the next page will show, these self-governing units are scattered all over the Indian peninsula. To the British soldier and to the British policeman their location is very important, as without their cooperation it would be impossible to keep peace or maintain law and order throughout the British part of India, to say nothing of India as a whole. At the same time, the States keep so quiet and manage their own affairs so satisfactorily that they very rarely get into the newspapers. But very few people realize that the Indian States are politically the most stable units in India and that their real importance in any settlement of the problems of the country is very great.

The history of India is the history of small units, internally autonomous. From time to time these units have been combined under an imperial dynasty or a paramount power, to form a temporarily stable empire; but after a longer or shorter period they have yielded to an inevitably centrifugal tendency and have broken away to lead their own life until such time as they have been again combined by superior force or superior statecraft into another imperial structure. The small unit has always been the real home of Indian patriotism, just as it has always been the real seed-bed of Indian culture, for India is not a country but a continent, inhabited by diverse races, by contrasting civilizations and by warring creeds.

She has perhaps even less claim to unity than Europe.

The growth of the British Empire in India, although it displays certain interesting variations from the growth of previous empires, has in the main followed a parallel path. The British power in India began on a very small scale, and its effective appearance coincided with a period when a great empire—that of the Mughals—was breaking up into its constituent units. Animated probably by the desire for the security of their trade, the employes of the British India Company entered into relations with the individual Indian States adjacent to the seat of their operations. They secured charters and privileges, often at the cost of paying tribute. Eventually, in 1773,



MAP OF INDIA

The principal native States are shown in white



THE BEGUM OF BHOPAL

the possessions of the British, acquired partly by purchase, partly by cession and partly by conquest, entered into the political arena as an independent State, following the time-honored Indian practice of repudiating tribute to an empire which had shown itself powerless. From this time onward the British possessions became steadily enlarged; and the political influence of Britain in India was supported by an elaborate network of treaties which secured the friendship and support of the other independent States.

By the beginning of the nineteenth century the British had become the greatest military power in India; and, with the help and assistance of the smaller States, had succeeded in defeating their great rivals, the Maratha Confederacy. During the first two decades of this century "British India" began to assume a position of superiority in relation to the other States. But it did not rule them, although it con-

trolled their foreign policy, and prevented them from entering into alliances with each other against itself. The bargain upon which the relationship was founded was a perfectly natural one; the British were in a position to protect the States from external attack, and the States, if left uncontrolled, would have constituted a perpetual menace to the position of the British. Naturally, therefore, a nexus of treaties and engagements grew up which bound each individual State to the British Crown, the Crown guaranteeing the protection of the States and the rights of the ruling families, the States guaranteeing perpetual friendship and alliance with Britain, and a renunciation of their right of resort to arms for the settlement of disputes with one another.

Until the middle of the nineteenth century Britain ruled only about 40 per cent of India; and it was not until a few years before the Sepoy Mutiny of 1857 that the territorial balance was definitely weighted against the States. The annexation of the great kingdoms of the Punjab, of Nagpur and of Oudh gave the predominance to British India, and incidentally were largely the cause of the general uneasiness throughout Northern India of which the Mutiny was only a symptom. When the storm burst the Indian States remained true to their treaty obligations, and it was largely owing to their support that order was restored and the British dominion in India invested with a new strength and stability. The Crown of Britain assumed from the old East India Company the governance of British India and the obligation of maintaining the treaties which linked Britain to the Indian States.

This change did not affect the



International

THE GAEKWAR OF BARODA

real situation, which was the existence within the confines of the Indian peninsula of two separate Indias, the India ruled by Britain and the India of the autonomous States. The existence of the latter was still, to some extent, obscured by the determination of the British authorities to deal with each State separately, and to discourage consultation between the States, even for the promotion of beneficent activities. The attitude was, of course, a heritage from the old days when British India was but one—and that by no means the most powerful—of a number of individual States competing for power and influence; but its persistence, especially after the Mutiny had revealed the inherent stability of the States and their faithfulness to their treaty obligations, was distinctly regrettable.

During the latter half of the nineteenth century the two Indias followed somewhat divergent lines of development. In British India a great deal was done by British energy and British capital to secure the economic development of the country. It is perfectly true that the population proceeded to increase so fast that it still continued for the most part to exist upon the margin of subsistence. But famine, of the old type which used to blot out thousands, was mastered; deserts blossomed as gardens under the most wonderful irrigation system the world has known. Networks of railways and roads linked up portions of India hitherto remote from one another. More important still, an elaborate system of Western education was introduced, partly because the British administrators believed it their duty to cast the illuminating rays of nineteenth century liberalism into the dark places of the Orient, and partly because the expanding requirements of an elaborate centralized administration necessitated the creation of a class of English-knowing subordinates. Western literature, rendered accessible as a result of Western education, proved a vehicle for Western ideas; and there soon grew up a Western-educated class of intellectuals who regarded themselves as perfectly competent to share in the rewards of high office.

In this way was the Indian nationalist movement born; and it is one of the tragedies of this movement that it was from the first divorced from indigenous culture and indigenous political ideas. At first this Western-educated class was content to claim for itself a share in the power and privilege of the existing bureaucratic system. Only by degrees did it develop the aspira-

tion to control the system. But when once the nationalist movement was born, its influence upon the British administrators, with their heritage of freedom and democracy, was inevitable; and as decade succeeded decade the claim of the Western-educated classes, first to influence the British administrators in the shaping of policy, and, second, to secure a measure of control over the execution of the policy thus shaped, won increasing recognition.

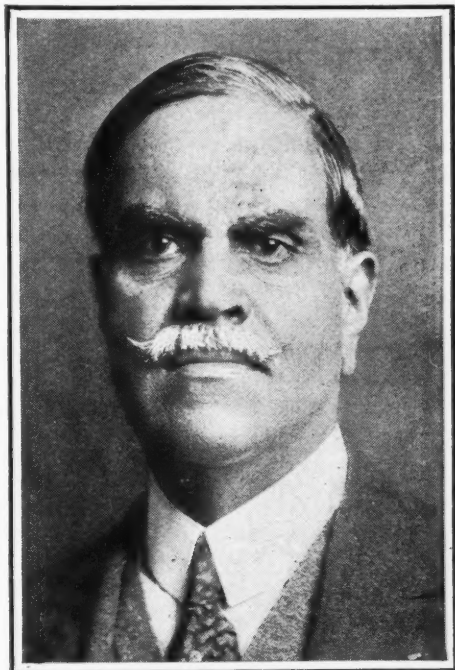
As the nineteenth century proceeded to its close, however, one great difficulty became apparent in the political progress of British India. The class which had constituted itself the spokesman of Indian nationalism was itself the product of an alien culture; a class which, according to orthodox Hindu ideas, was entitled to a place, and an important place, in the task of government; but not a class which, according to those orthodox ideas, could itself perform that task. Yet this class was that which the British administrators of British India proceeded, in however cautious and reluctant a manner, to associate with themselves in the responsibilities of governing millions of people.

ISOLATED STATES

Meanwhile, in Indian India, there is a different story to tell. The States which comprised this portion of the country were isolated units whose individual resources were small in comparison with those which characterized British India. The artificial isolation between the States was rigorously insisted upon by the paramount power. The States had no access to the capital or, for the most part, to the skilled direction which would have enabled their very considerable natural resources to be developed. Thus,

throughout the greater portion of the nineteenth century they remained poor and, from the Western point of view, backward; proud in the maintenance of their own culture and their ancient traditions; and finding the principal outlet for the martial traditions of their people in recruitment for the regiments of the British Indian Army.

Inevitably, in such conditions as these, the political influence of the States tended to decline as compared with that of British India. Those rights which the States believed to be safeguarded beyond the shadow of a doubt by treaties in defense of which their best blood had been shed during the Mutiny, tended to be regarded as mere pieces of antiquarian lumber when they happened to prove inconvenient to the economically progressive administration of British India. Moreover, the association in the administration of Brit-



Wide World Studio

THE MAHARAJAH OF KAPURTHALA

ish India, in however imperfect a degree, of the Western-educated classes of that part of the country confirmed the British Indian administrators in an inevitable tendency to prefer the interests of British India—their direct responsibility—to the interests of Indian India—a remote and indirect responsibility.

Thus it was that the Government of India, which, after the mutiny, was allotted the dual task of governing British India and of acting as the agent of the Crown for the management of the Crown's relations with the States, became metamorphosed little by little into the Government of British India, which regarded the promotion of the interests of British India as its main object, and tended to utilize the Crown's relations with the States merely as a means to the same end.

Until the outbreak of the World War in 1914 this process continued to the disadvantage of the Indian States. There was never any intention on the part of the British Government of wronging them, or infringing their treaties, or of subordinating their interests to the interests of British India. In point of fact, all these things happened; and they happened principally because the States had no means of getting together, of making their views heard and of securing an impartial arbitration between themselves and the agents of the Crown in India. But to Indian India, as to British India, the war made a great difference. Once again, the Indian States stood firmly by their treaties; and the moral support which they gave to the British Empire in India was as valuable as the many thousands of fighting men who flocked under the lead of their own Kings to join the allied forces. When the time came for considering the extension

to British India of self-governing institutions, the condition of the Indian States was also considered, if more cursorily than the importance of the question demanded.

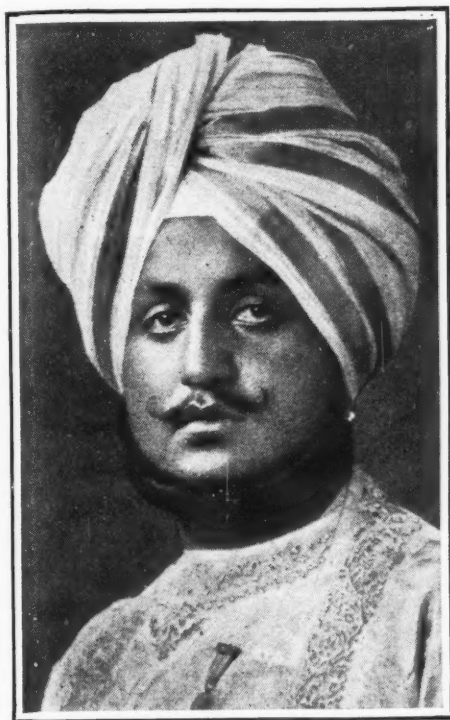
THE CHAMBER OF PRINCES

In consequence, when British India obtained the reforms associated with the names of Mr. Montagu and Lord Chelmsford, Indian India obtained a reversal of the old policy of compulsory isolation of State from State. The institution known as the Chamber of Princes was brought into existence by royal proclamation in 1921. Full membership was confined to the States, 108 in number, which by their treaties and engagements enjoyed complete internal autonomy. But the more important of the smaller States, 127 in number, were also represented by an electoral system. The direct util-



International

THE MAHARAJAH OF MYSORE



THE MAHARAJAH OF PATIALA

ity of the Chamber of Princes to the States themselves was largely stultified by officially framed rules which reduced its deliberations to mere formalism; but its inauguration, nevertheless, marked the dawn of a new era. The States were now free to consult one another, to discover common interests, to voice common demands. The sessions of the chamber, which brought every year to Delhi some fifty or sixty at least of the great ruling princes, provided occasion for informal deliberations in which common policies could be outlined and common action determined.

The decade of acute political agitation in British India which has elapsed between the inauguration of the Montagu-Chelmsford reforms and the present time has been productive of further elements of difference between British India and

Indian India. The leadership of the nationalist movement in India is still for the most part in the hands of the Western-educated class, although there has been of late a distinct attempt to re-establish it upon lines which correspond more closely with orthodox Indian political thinking.

Democratic ideas in the Western sense do not square very well with orthodox Indian conceptions of government. From ancient times India has been in the truest sense of the term a democratic country; for to each man belongs an inherent responsibility in the structure of citizenship, while those to whom it is given to exercise political power do so only in virtue of the confidence of the governed. At the same time, India traditionally associates the duty of government with a particular class and does not understand how a person not belonging to that class can satisfactorily discharge the necessary responsibilities.

Further, the theory of majority rule is troublesome in British India, where the religious cleavage is acute, and where the Hindus are in a perpetual majority over the Mohammedans, whose recollection of the days when they governed India is still lively. The fact that the more advanced sections of Western-educated nationalist opinion are the best organized, the most vocal and in complete control of the press, must not blind us to these inherent difficulties in the present situation.

STATES' MONARCHICAL RULE

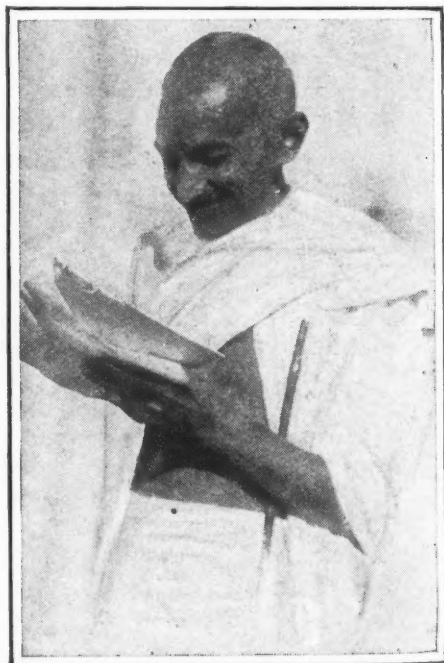
From the constitutional standpoint the position in Indian India is very different. The States still hold to the old traditions of monarchical rule as known in the East—a system which gives the monarch wide powers within narrow limits, but in gen-

eral controls him rigorously through the counsels of advisers and the influence of his church. The States have the advantage of possessing political homogeneity and long traditions. Disturbances of the religious type are very rare; for there is a strong sense of citizenship and a serviceable habit of allegiance to a definite ruling house. Local patriotism is well marked; and there is a general feeling of stability which contrasts somewhat with the ebb and flow of political life in British India. There is an unquestioned tendency to constitutionalize, in the Western sense, the traditional system of monarchy, but democratic catchwords have not the same appeal as in British India. The people as a whole seem very contented; and statistics show that as many persons come from British India to live in the States as go from the States to live in British India.

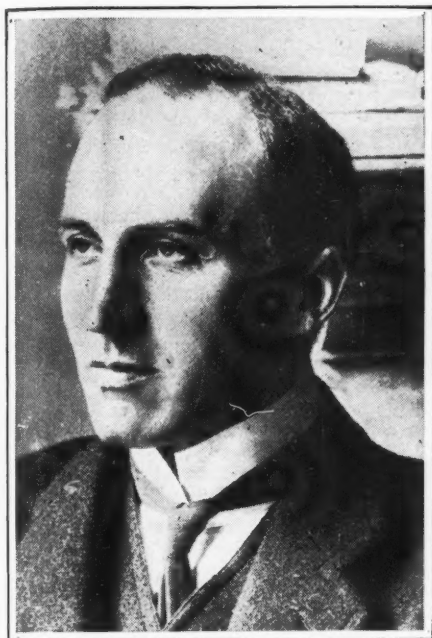
While the States are for the most part modernizing their administration in a satisfactory manner—and here the moral influence of the Chamber of Princes is proving itself very effective—they still retain that ancient and legendary charm and color which is now fast disappearing in British India itself. Where, indeed, in British India could one find a government treasure house filled with wealth incredible in jewels and bullion, the product of centuries of surplus budgets, of which the only guard was a tribe of aborigines, whose equipment consists of bows and arrows? And yet, so faithful are these quaint guards that even the Rajput sovereign of the State himself may enter the treasure house but once in the course of his reign, and that on the day when he ascends the throne. Yet, year by year, the jewels and the bullion swell in bulk until they con-

stitute a veritable fortress against the vicissitudes of fortune and a tower of strength in the case of political emergency.

The position of Britain in regard to the two Indias is naturally somewhat delicate. Toward British India she is pledged to a policy of progressively instituting responsible government. To the constituent parts of Indian India she is bound by a series of treaties and engagements the continued validity of which was revealed as lately as 1914. She has to consider the rights of both sides of India. The ambitions of the more advanced sections of British Indian nationalism, if satisfied, would entail her immediate withdrawal from all active association with the Government of British India. If British India stood alone, such a step would perhaps be conceivable, although in view of the immense financial stake which British



MAHATMA GHANDI
Leader of the Indian nationalist movement



SIR JOHN SIMON

capital has acquired in British India, it would be, to put it mildly, quixotic. Britain has also some reasons for doubting whether a government of the type which is envisaged by the Left Wing nationalists could maintain peace and order throughout the immense territories and among the varied population of British India.

That the report of the royal commission under Sir John Simon will throw considerable light upon this particular problem is much to be hoped, but Britain's policy in regard to India cannot possibly depend upon considerations based on British India alone. The inquiry which has recently been conducted by a committee under the chairmanship of Sir Harcourt Butler into the general position of the Indian States has brought out clearly the separate existence, as well as the political importance, of "Indian India." It has also revealed the extent to which

the States have suffered in the past by failure to consider their special interests; and the report of the committee emphatically indorses the special responsibility which lies upon Britain in regard to her faithful allies. As a result of the attention which this inquiry has drawn to the position and problems of the Indian States, it seems clear that British public opinion will not permit of any steps being taken in the settlement of the general British Indian position which are likely to prejudice the rights and interests of Indian India.

The way out of the difficulty would seem to lie in the direction of federation. The Indian States have no desire to cut themselves apart from the rest of India; when once their peculiar position has been recognized, they will be prepared with those compromises and adjustments which will make possible the general control of federal matters by a government representative of the three parties involved, Britain, British India and themselves. But they are not prepared to indorse the desire of extreme Indian nationalism for independence and for the severance of the ties between Britain and India. They know that if by some conceivable chance Britain were to depart from India, British India would lie at the mercy of their armies. But they also realize that the partition of British India by the Indian States would be but a preliminary to a period of anarchy which would terminate only with the advent of some great power, whether Eastern or Western. With their experience of centuries behind them they favor a constructive rather than a destructive policy. They bear no ill-will to British India, and are prepared to cooperate with her.

LONDON, June, 1929.

The Pope Reproves Mussolini

[The conflict of opinion between Premier Mussolini and Pope Pius XI as to the interpretation of the agreement signed on Feb. 11, 1929, between Italy and the Holy See (the full text of which was printed in July CURRENT HISTORY) arose out of views expressed by Mussolini in speeches on May 13 and May 25 (the substance of which was also given in July CURRENT HISTORY, pp. 705-706). We print below the full text of the open letter of May 30, addressed to Cardinal Gasparri, Papal Secretary of State, in which the Pope took Mussolini to task for his "heretical" views. Preceding this document is a non-Catholic comment by Dr. W. W. Rockwell of Union Theological Seminary, an authoritative writer on the history of the Papacy. The translation of the Pope's letter was made by Mr. William F. Montavon, director of the Legal Department, National Catholic Welfare Conference, Washington, D. C.]

I—Non-Catholic Comment on the Pope's Letter

By W. W. ROCKWELL

ONE week after the official gazette of the Vatican, *Acta Apostolicae Sedis*, had published the authentic text of the treaty and the concordat, it printed in Italian the Pope's letter to Cardinal Gasparri criticizing some of the statements that Mussolini had made in the Italian Parliament. The chief points to which the Pope objects are five:

1. *That Christianity might have died out had it not moved its headquarters to Rome.* The proposition occurs in Mussolini's learned discussion on May 13 before the Chamber of Deputies, concerning the historical antecedents of the settlement. The passage which the *Civiltà Cattolica*, a leading organ, singled out on June 1 (p. 473) is as follows: "This religion was born in Palestine but became Catholic at Rome. If it had remained in Palestine very probably it would have been one of

the so many sects which flourished in that heated environment, like those of the Essenes and of the Therapeutae, and very probably it would have been extinguished without leaving a trace of itself."

In closing the debate in the Senate on May 25, Mussolini endeavored to make a strategic retreat from this position, which not merely contradicts Catholic dogma but is, moreover, quite incapable of historical proof, by citing two Catholic historians, Batiffol and Duchesne. Without trenching on dogma, Mussolini contented himself with saying that actually from the purely historical point of view "Christianity did find the most favorable environment at Rome."

The Pope's letter says: "To make the distinction, which some seem inclined to make, between a statement that refers to history and one that refers to doctrine, in a case like

the present, would be the gravest and most condemnable modernism." Mussolini's defense had not warded off the papal rebuke: "What of all things we least expected were expressions that are heretical, worse than heretical, regarding the very essence of Christianity and of Catholicism."

A Paris dispatch to *The New York Times* of July 7 mentions a report that the Pope may put on the Index of Prohibited Books the volume containing Mussolini's recent speeches.

What the Pope himself thinks of the relationship of Rome to the Papacy is quite different. In his first Encyclical *Ubi Arcano* (Dec. 23, 1922) he wrote of "Italy, our own dear native land, the country where the hand of God, who guides the course of history, has set down the Chair of His Vicar on earth, in this city of Rome which, from being the capital of the wonderful Roman Empire, was made by Him the capital of the whole world, because He made it the seat of a sovereignty which, since it extends beyond the confines of nations and States, embraces within itself all the peoples of the whole world." (Translated by the Very Rev. James H. Ryan in *The Encyclicals of Pius XI*, St. Louis: Herder, 1927, p. 44). Why did not the Duce choose the path of safety by merely paraphrasing the Pope's words? Had he by any chance read the brilliant address of Adolf Harnack, the dean of German church historians, on the rise of the Papacy in his *Aus Wissenschaft und Leben*, vol. I (Giessen, 1911, pp. 213-223)?

2. *The sovereignty and independence of the Church and of the Holy See.* Since 1870 there had developed at Rome, underneath phrases such as "the Pope is the prisoner of

the Vatican," and under protests systematically renewed by each succeeding Pope, a very comfortable method of getting along with the Italian Government. It was so practical, in fact, that the Pope felt that unless its legal defects were removed there was danger that Catholics would in the course of time acquiesce in that *modus vivendi*. The papal rights were guaranteed by an Italian law of 1871, against which the Vatican had repeatedly protested. The only cure was to base the security of the Papacy over against Italy not on a law of the Italian Parliament, which might be modified or repealed without the Pope's consent, but on a treaty such as that signed on Feb. 11, which recognizes him as independent and sovereign, with territory which, though minute, is adequate to class him among independent rulers. On these points both Italy and the Vatican have agreed.

The possibilities of a clash seem to lie today not in the field of the treaty but in that of the concordat. The Pope as sovereign lives and acts outside Italian territory, but as Bishop of Rome, Archbishop of the Roman Province and Patriarch of the West, and above all as Supreme Pontiff, he exercises ecclesiastical jurisdiction of various kinds and degrees over every diocese and parish of the Italian Peninsula. So far as legal ingenuity permits, the concordat has apparently foreseen and removed all the potentialities of collision, but differences of opinion remain.

During the debate in the Chamber, Ercole recalled formulas under which previous leaders of the Italian Government had tried to summarize the situation. Cavour had said, "A free Church in a free State," but

this was vague and inexact. Luzzatti had favored "a free Church in a sovereign State," and Giolitti had spoken of Church and State as two parallel lines destined never to cross (*Giornale d'Italia*, May 14). With characteristic thoroughness and insight Mussolini's concordat speaks of *two* sovereignties.

In the present letter the Pope praises certain passages in Mussolini's speeches which explicitly recognize the sovereignty and independence of the Church and of the Holy See, but points out passages still more numerous in which the Premier has misinterpreted or questioned the papal contentions. To clear matters up the Pope makes the following points which are vastly significant, even though the Encyclical is directed merely to an individual, Cardinal Gasparri, which deprives it of one of the essential marks of an infallible pronouncement. The Pontiff says that in the concordat there meet face to face two sovereignties "each perfect in every sense in its own sphere *nel suo ordine*, which sphere is necessarily determined by the end which each pursues." He goes on to remark that the higher dignity of the end pursued by the Church determines necessarily that *the Church is absolutely superior to the State*.

This note is familiar in papal utterances, and Leo XIII did not hesitate to draw conclusions which are applicable to conflicts between State laws and ecclesiastical laws, such as have been happily ended in recent weeks in the neighboring republic of Mexico. Leo said that "if the laws of the State are manifestly at variance with the divine law, containing enactments hurtful to the Church, or conveying injunctions adverse to the duties imposed by religion, or if they violate in the per-

son of the Supreme Pontiff the authority of Jesus Christ, then truly, to resist becomes a positive duty, to obey, a crime; a crime, moreover, combined with misdemeanor against the State itself, inasmuch as every offense leveled against religion is also a sin against the State." (J. J. Wynne, ed., *The Great Encyclical Letters of Leo XIII* (New York [1903] p. 185). That these passages and similar ones are, in the minds of many Roman Catholics, of fundamental importance is shown by their inclusion in the 1928 edition of the famous source book of Denzinger-Bannwart, *Enchiridion Symbolorum Definitionum et Declarationum de Rebus Fidei et Morum* (Friburgi, Herder).

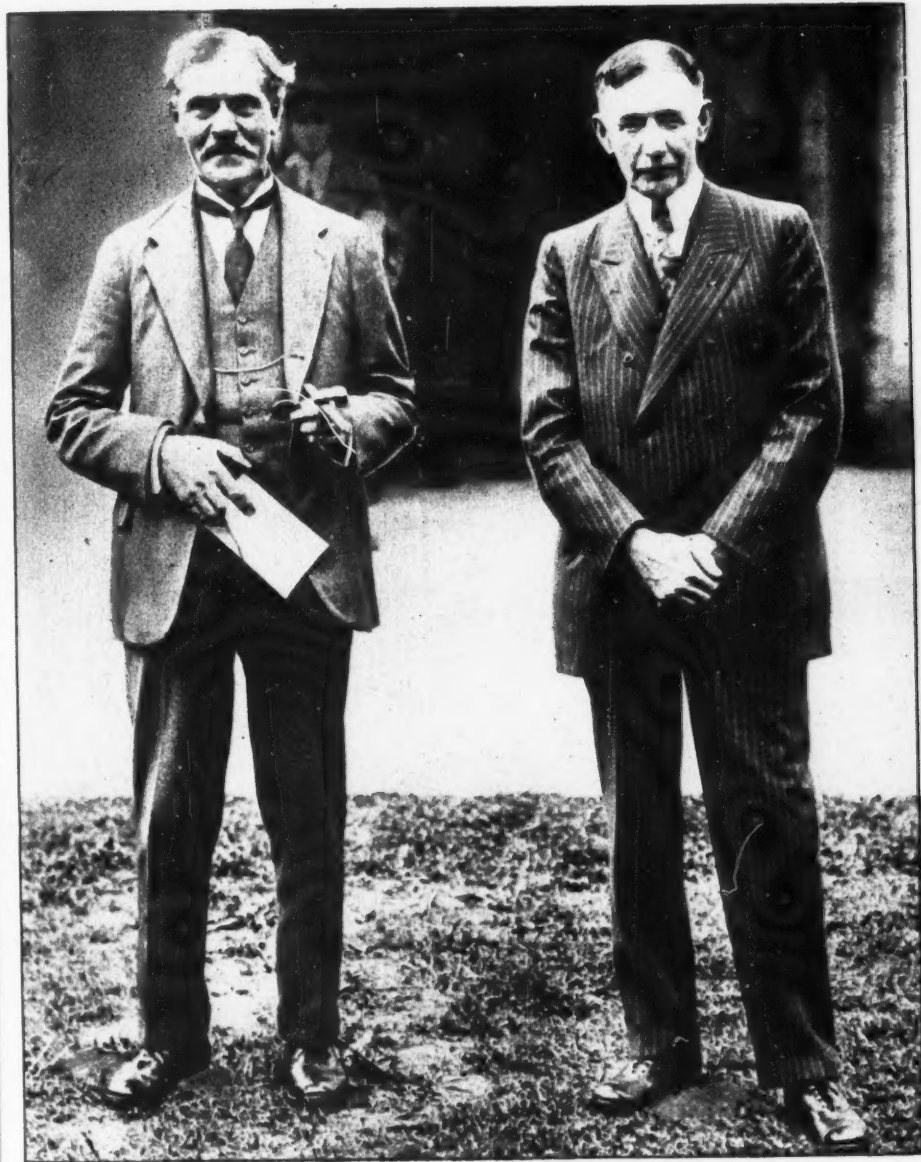
As regards the relation of ecclesiastical sovereignty to State sovereignty in Italy, the Pope points out that it is wrong to say that the Pope "represents" the fullness of the sovereignty of the Catholic Church. What he does is to "personify" that sovereignty and to "exercise" it "by the right of a mission direct from God." On the basis of this important definition it cannot justly be said that it is "the Catholic organization in Italy" which has subjected itself to the sovereignty of the Italian State. What has happened is that the Pope himself as the head of the Church has made the best arrangements now attainable, which in his judgment are for the greater glory of God.

Pius XI also objects to the expressions by which Mussolini endeavored to reassure the Italian Parliament that the State had renounced nothing to the Church and had lost no control or supervision. The Pope makes it clear that the Church had never demanded that the State give

Continued on Page 845

Pictures in Rotogravure

PROGRESS IN ANGLO-AMERICAN ACCORD



J. RAMSAY MACDONALD AND CHARLES GATES DAWES
Great Britain's new Labor Prime Minister and his guest, the recently appointed American Ambassador. Mr. Dawes, immediately upon landing, called on the Prime Minister in Scotland to discuss prospects for another disarmament conference

Associated Press

THE SIGNING OF THE REPARATIONS REPORT



At the final session in the Hotel George V, in Paris, on June 7, when the experts affixed their signatures to the Young Plan
Times Wide World

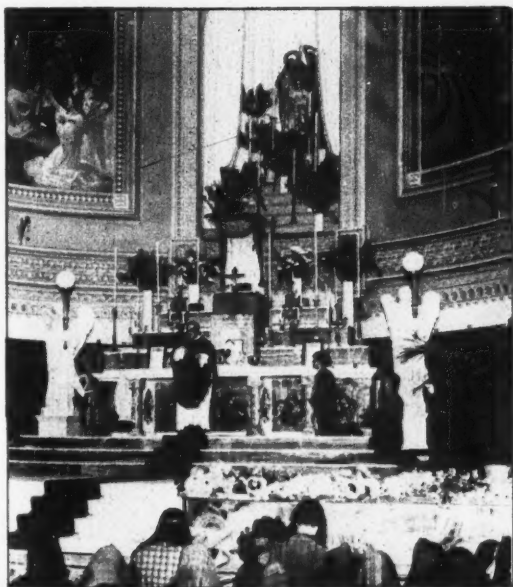
SETTLEMENT OF THE MEXICAN CHURCH DISPUTE



THE PEOPLE AWAITING SERVICES

After the settlement of the Mexican Church and State conflict was announced on June 22 the populace gathered outside the churches eager to resume worship which had been forbidden for three years

Times Wide World



ARCHBISHOP PASCUAL DIAZ

Appointed by the Pope to head the Catholic Church in Mexico. Archbishop Diaz took part in negotiating the settlement

Associated Press

THE FIRST MASS

Services in Mexico City
Underwood & Underwood

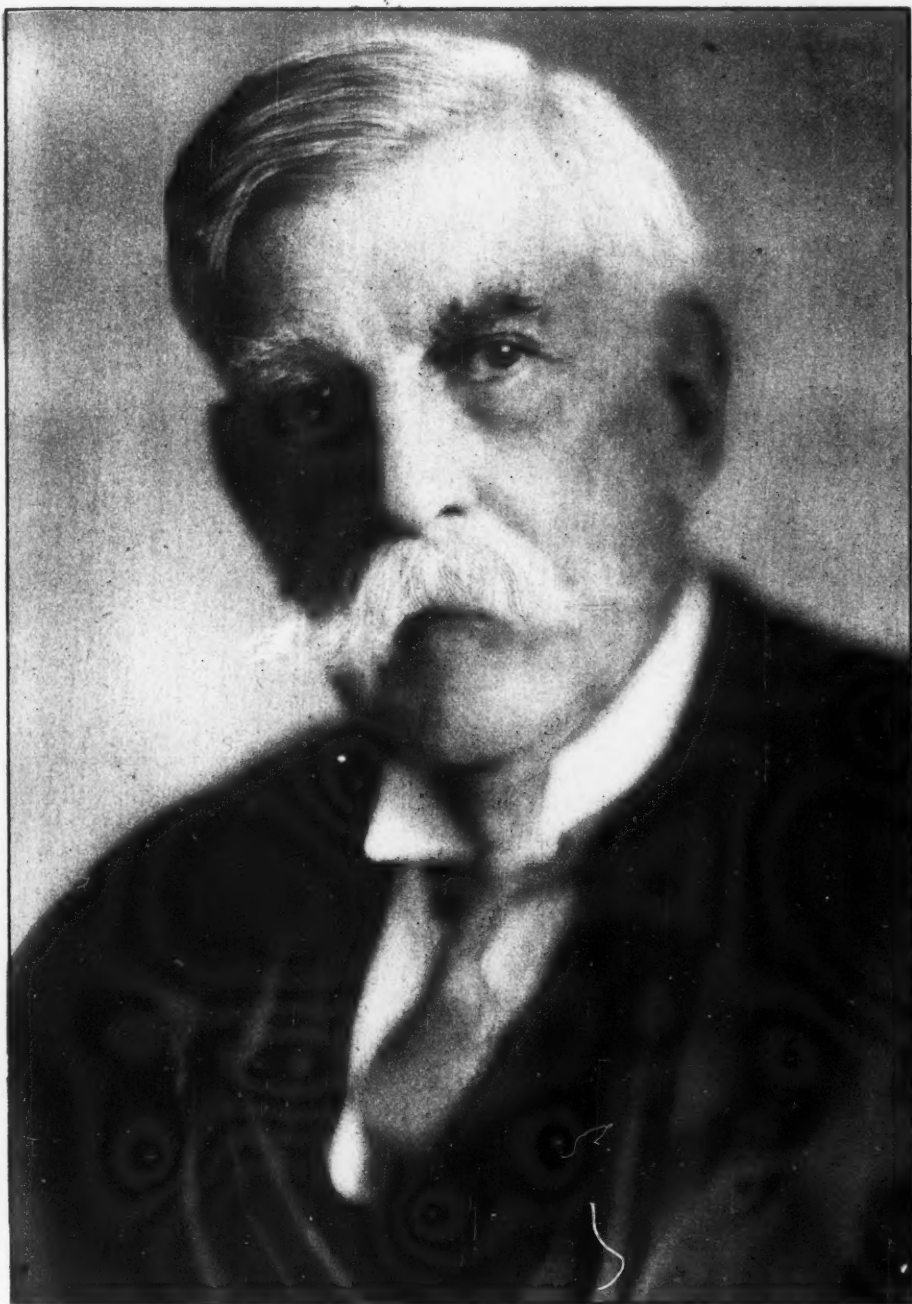
TWO MEN WHO HAVE MADE HISTORY—



JOHN D. ROCKEFELLER

The oil magnate and philanthropist who celebrated his ninetieth birthday on July 8
International

ON THE EVE OF THEIR NINETIES



OLIVER WENDELL HOLMES

At 88 Justice Holmes is a member of the United States Supreme Court. His dissenting opinions, well known for their brilliance, are soon to be published in book form

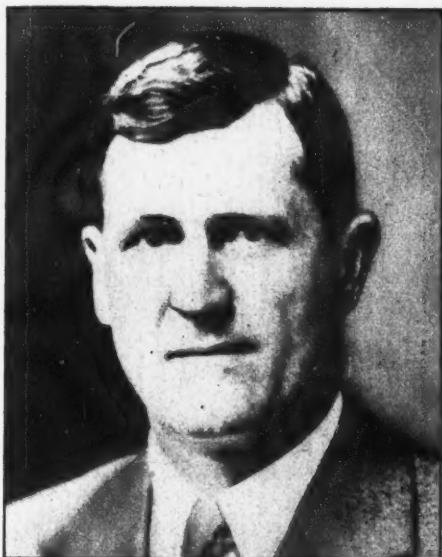
Harris & Ewing

FARM RELIEF BECOMES A REALITY



PRESIDENT HOOVER SIGNING THE AGRICULTURAL MARKETING BILL
The ceremony on June 15 which put into effect the bill providing for a Federal Farm Board and a \$500,000,000 revolving fund.
Representative Haugen, Vice President Curtis, Representative Longworth and Senator McNary stand behind the President
Times Wide World

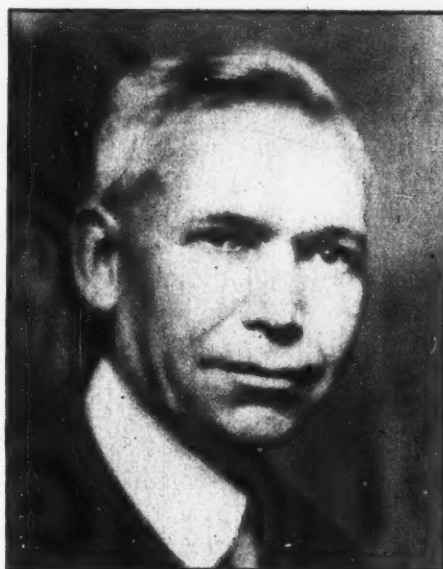
MEMBERS OF THE FEDERAL FARM BOARD



C. B. DENMAN
President of the National Live-
stock Producers Association
Associated Press



ALEXANDER LEGGE
President of the International Harves-
ter Co., whom President Hoover ap-
pointed chairman of the board on which
falls the responsibility of administering
a half-billion dollar revolving fund
Pacific & Atlantic

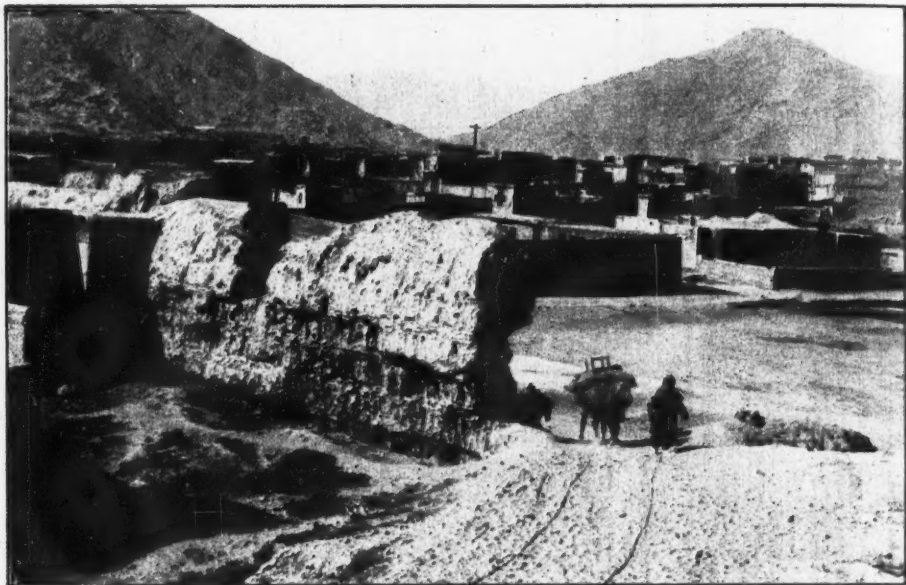


CARL WILLIAMS
Editor of the Oklahoma Farmer
Stockman
Associated Press



JAMES C. STONE
Kentucky tobacco magnate
Associated Press

AFGHANISTAN IN REVOLT—



KABUL, THE AFGHAN CAPITAL

From which King Amanullah was driven last January by the bandit chief, Bacha Sakau, when the people revolted against the introduction of reforms and Western customs. The pictures on these pages were taken by Miss May Mott-Smith, the last foreigner to come out of Afghanistan by motor before the revolution started



STREET SCENE

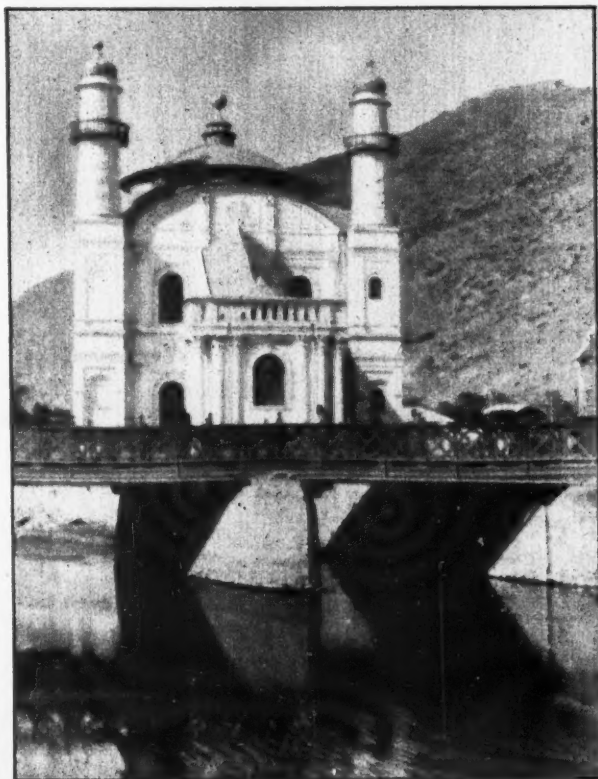
A busy thoroughfare in Kabul outside the Custom House

REFUSES TO BE WESTERNIZED



THE LOYAL ARMY

The soldiers of the defeated King Amanullah passing the royal portal, Kabul



A MODERN MOSQUE

One of the many buildings erected by Amanullah

GREAT BRITAIN'S SECOND LABOR GOVERNMENT

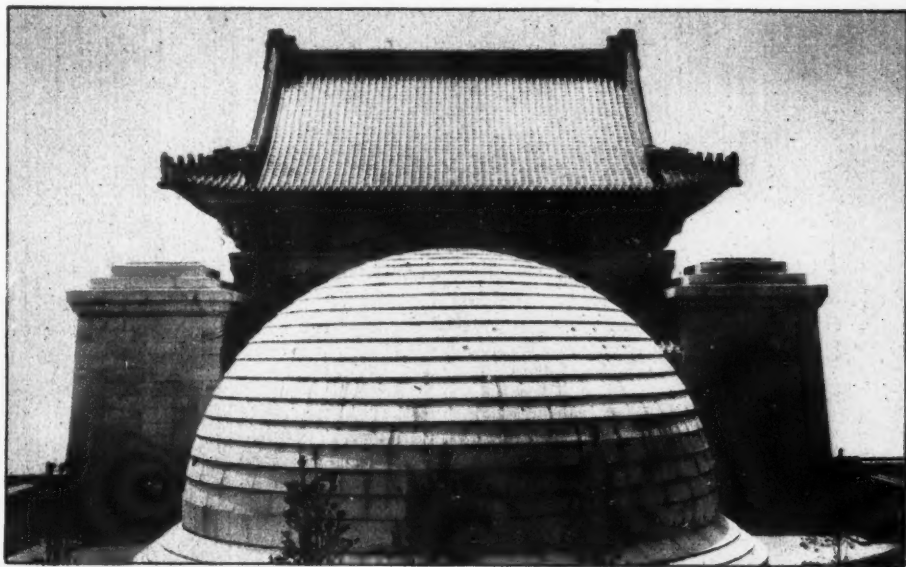


THE NEW CABINET

Assembled for their first meeting at No. 10 Downing Street. Seated, left to right: J. R. Clynes, Secretary of State for Home Affairs; Lord Parmour, Lord President of the Council; J. H. Thomas, Lord Privy Seal; Philip Snowden, Chancellor of the Exchequer; Ramsay MacDonald, the Premier; Arthur Henderson, Foreign Secretary; Sidney Webb, Secretary for the Dominions and Colonies; Lord Justice Sankey, Lord Chancellor; Captain Wedgewood Benn, Secretary for India, Standing; George Lansbury, First Commissioner of Works; Albert V. Alexander, First Lord of the Admiralty; Sir C. P. Trevelyan, President of the Board of Education; Miss Margaret Bondfield, Minister of Labor; Lord Thomson, Secretary of State for War; Arthur Greenwood, Minister of Health; Noel Buxton, Minister of Agriculture and Fisheries; William Graham, President of the Board of Trade, and William Adamson, Secretary for Scotland

Times Wide World

THE TOMB OF DR. SUN YAT-SEN

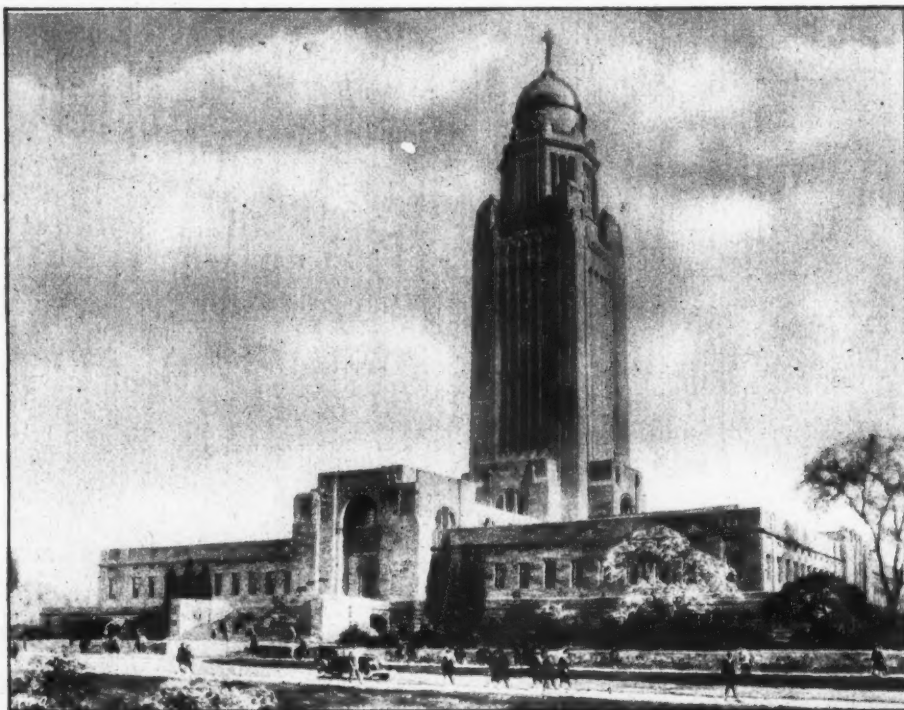


THE CHINESE NATIONALIST LEADER'S FINAL RESTING PLACE
The body of Dr. Sun Yat-sen was removed to this elaborate new tomb at Purple Mountain outside Nanking, the new capital of China, on June 1
Pacific & Atlantic



CARRYING THE REMAINS OF THEIR LEADER
Members of the Kuomintang party removing the body of Sun Yat-sen from Peking where it had been interred over four years ago
Underwood & Underwood

THE NEW SPIRIT IN AMERICAN ARCHITECTURE

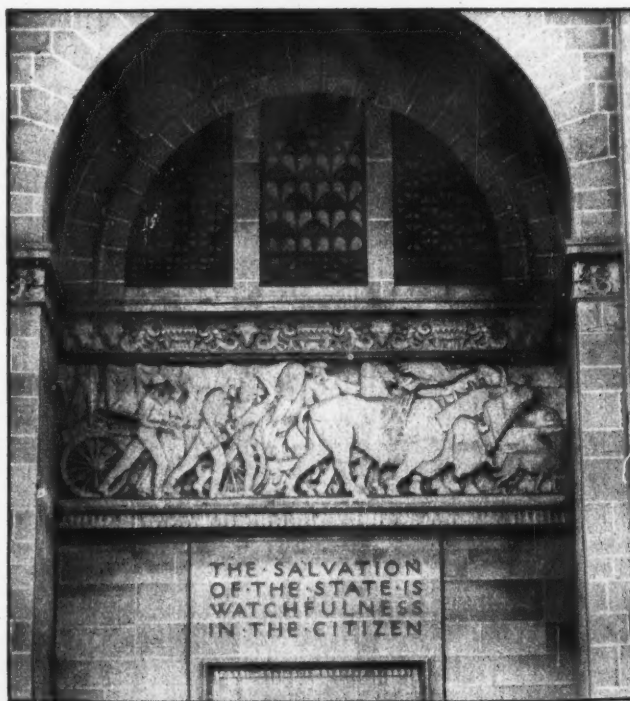


THE CAPITOL,
LINCOLN,
NEBRASKA

The magnificent building, now nearing completion, designed by the late Bertram Grosvenor Goodhue

BAS-RELIEF AND INSCRIPTION

These decorations over the main entrance are the work of Lee Lawrie, sculptor, and Dr. Hartley Burr Alexander, who wrote all the inscriptions



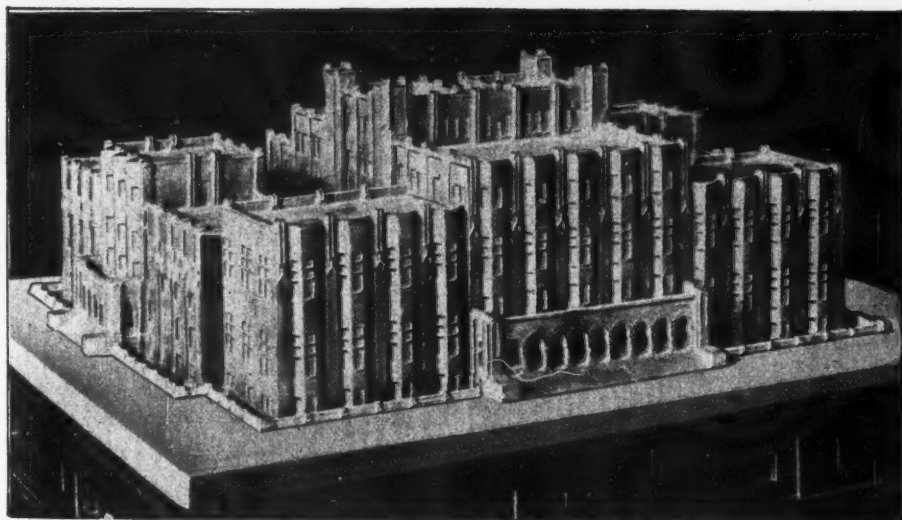
AMERICAN BUILDINGS IN FOREIGN LANDS



THE LAFAYETTE ESCADRILLE MEMORIAL

Erected near St. Cloud, France, to commemorate the first American soldiers who died in the service of France

Times Wide World



THE NEW TOKIO LIBRARY

Bronze model of the building donated by John D. Rockefeller after the old one was destroyed by earthquake and fire in 1923

Times Wide World

POLITICAL DEVELOPMENTS IN JAPAN



LIBERAL LEADER REPLACES CONSERVATIVE

Yuko Hamaguchi (at left), who on July 2
became Prime Minister on the resignation
of Baron Gichi Tanaka (at right)

Acme



BARON KIJURO SHIDEHARA
Foreign Minister in the new lib-
eral government, whose policy
is said to be friendly toward Chi-
nese nationalism

Underwood & Underwood

EMPEROR HIROHITO
His ratification of the Kellogg pact
on June 27 was an important step
in Japanese foreign policy

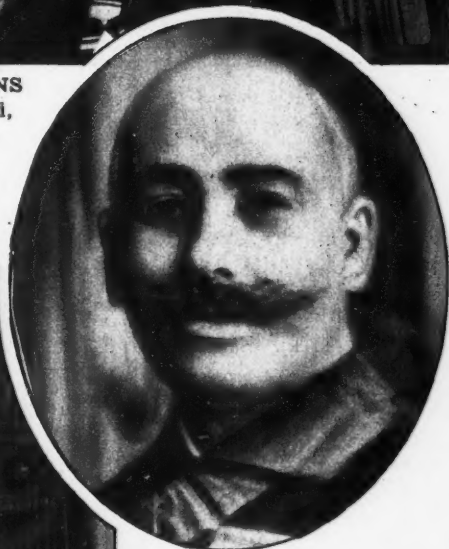
Underwood & Underwood

INAUGURATING THE VATICAN STATE



THE EXCHANGE OF RATIFICATIONS
Premier Mussolini and Cardinal Gasparri,
representing King and Pope, enacting
the final ratification of the Lateran
pacts at the Vatican on June 7

Times Wide World



THE ITALIAN AM- BASSADOR

Count Cesare Maria de
Vecchi, appointed by Mus-
solini to represent the
Italian Government at the
Vatican. He is a Catholic
and a staunch Fascist

Acme



DECLARING THE NEW BOUNDARIES

The Swiss Guard leaving
the Vatican to mount
guard over the new Papal
boundaries

Acme

[illegible]

THE VATICAN TERRITORY

The Pope Reproves Mussolini

Continued from Page 828

up its proper right and authority and asks now from the State nothing but "the right to just and orderly cooperation for the common good, and that that cooperation be in accordance with justice and adapted to the ends proposed."

3. *The toleration of Jews and Protestants.* More serious is the divergence of opinion in regard to the toleration of Protestants and other non-Catholic groups which the Pope thinks from the doctrinal point of view should be called "tolerated" rather than "permitted" or "admitted." The reason is that, strictly speaking, one *tolerates* evils that one cannot prevent. So the word "tolerated" stigmatizes Protestantism as an evil, just as it does prostitution, to whose establishments the French apply the term *maisons de tolérance*.

The Pope insists that the Catholic religion only "is the religion of the State with all the consequences logical and juridical deriving from such a situation under constitutional law, especially with regard to propaganda." Two phrases here are of the highest importance. The reference to constitutional law suggests the fact that the Constitution of the Kingdom of Italy still guarantees religious liberty.

Mussolini is not preparing to change the fundamental law in this particular. In his official speech in the Chamber of Deputies on March 10, he said that the pre-eminent position given to the Catholic Church in the religious life of the Catholic people does not signify that the tolerated cults ought to be perse-

cuted from that time forward, suppressed or even merely harassed. The term "Catholic State does not mean that it should impose upon the citizens obligation or any pressure of following one faith, even though that may be that of the majority." (*Bolletino Parlamentare*, April, 1929, pp. 14-15).

What does the Pope mean by speaking of the logical consequences "with regard to propaganda"? Does this mean that he hopes that Italian law will forbid any one not born a Methodist or a Baptist to become a convert to Protestantism, and that the Waldensian, Methodist and Baptist Churches in Italy (which are supported in part by money from American Protestants) ought to be forbidden to try to convert anybody by preaching or by the printed word? What Catholic authorities of the sixteenth, seventeenth and eighteenth centuries thought about that is quite evident from the deeds of the Inquisition, to say nothing of instances which many years ago were widely discussed with the Protestant world, such as the imprisonment of the Madiari family in Florence who dared to distribute Bibles, or the celebrated case of young Mortara at Bologna whose parents were Jewish. (See F. Nielsen, *History of the Papacy in the Nineteenth Century*, Vol. xi, pp. 184 and 205). The fact that before 1870 the papal government refused permission to build an Anglican church within the walls of Rome is perhaps also significant. One wonders whether the Pope had such things in mind while discussing the sacred character of the city of Rome: "All the greater, therefore, is our

amazement at seeing advanced the idea that certain true and undeniable offenses against that sacred character can be tolerated in the name of liberty of conscience or of a wholly misplaced compassion."

One thinks, of course, of that great rock of offense, the Methodist College of Monte Mario. Fortunately the plan for extending the Pope's holdings in parts of Rome outside the walls of Vatican City has not involved the seizure of this college, under the right of eminent domain. (See the real estate maps annexed to the official edition of the treaty between the Holy See and the Kingdom of Italy, *Acta Apostolicae Sedis*, June 7, 1929.)

4. *Liberty of conscience and of discussion.* Mussolini had said that the treaty and the concordat had not diminished liberty of conscience or taken away full freedom of discussion. The Pope, however, points out that freedom of speech may be the cloak for subversive propaganda. He probably has in mind not merely Protestant heresy but also anticlerical demonstrations such as made Leo XIII at times uncertain whether he ought to remain in Rome. Yet Leo wrote "that the unrestrained freedom of thinking and of openly making known one's thoughts is not inherent in the rights of citizens, and is by no

means to be reckoned worthy of favor and support." (*Great Encyclicals*, ed., Wynne, p. 126.)

5. *The regulation of marriage in accordance with the Code of Canon Law.* The relevant provisions of the papal code have been published in an appendix to the concordat (*Bolletino*, as above) as laws of the Kingdom of Italy. The Pope apparently objects to the fact that there is no civil law to compel Catholics who marry to do so in accordance with the papal code; but he gives notice that the Church will excommunicate such offenders.

In closing, Pius XI expresses the faith that the peace between the Vatican and Italy will endure. He says that, though future experience may show that the concordat may need slight modifications, it and the treaty are, after all, inseparable. By faith in human good-will and in the power of God, he looks for their honorable fulfillment.

The tension between Mussolini and the Pope is not merely that between autocrats in juxtaposition; it is based also on varying philosophical and legal training. As the price of peace Mussolini has arranged the education of Catholic children in Italy so as to suit the Vatican. In so doing has he not betrayed the interests of his class, the Italian intellectuals?

II—Full Text of the Pope's Letter

YOUR EMINENCE: The question has been raised as to whether or not the reports, speeches and discussions concerning the conventions signed by Plenipotentiaries of the Holy See and of the Kingdom of Italy on the eleventh day of last February, which have been made during the past few days while these conventions were before the Cham-

bers for ratification, are to remain without further comment on our part than the wholly incomplete and casual remarks on education which we made when we addressed some young men from a near-by college who had come in private audience precisely at the time we were engaged in reading the first speech, namely that of May 13. And it would perhaps have

been possible for us to do no more than add to these remarks privately made some general statement of disagreement and reservation, had it not become evident to us that, among our own people and among all true lovers of peace, in Italy and abroad, the impression made by these speeches, and by the reports and discussions provoked by them, was daily becoming more widespread and more painful, resulting in a demand for some word of explanation and reassurance from us that is daily more insistent.

By virtue of the Apostolic Ministry which unites us to all, and because we feel that loyalty requires that we go no further in this matter without making such explanation as to us seems to be required to dissipate and, so far as lies with us, make impossible all equivocation and misunderstanding, the question having been raised, as we have pointed out, it becomes our duty to speak.

The distress felt by all good men and the fact that in so short a time that feeling has so generally spread is very easily explained by the importance of the matters under discussion, by the fact that they were discussed in places so well known, by the quality of the persons involved, and by the fact that the press in every part of the world, having concentrated its attention, daily more on the lookout since the events of Feb. 11 were announced amidst an explosion of joy that was world-wide and seldom equaled in history, before three months had elapsed sees this disturbed so profoundly and so distressfully.

"I think thoughts of peace and not of affliction" (Jeremiah, xxix, 11). Making our own these words of the sacred text, in our first Encyclical, in expressing the desire we felt, we predicted that the hour of peace was even then at hand. We feel that it is well to recall these words here in order that every one may know the sentiments of paternal benignity and the unaltered desire for peace which animate us and give us strength even now when we are face to face with words and expressions that are "harsh," "crude," "drastic." We cannot find such words and expressions either necessary or useful or conducive to the end sought. We repeat them here in passing and to our people say only that we have received assurances that no one should think or suspect that they were addressed to us or to anyone of our people, and these assurances were given after it had been explicitly stated that these words had not been addressed

either to members of the left or to any remnants of Masonry.

So far as we are concerned it is our duty to record the fact, and this we hasten to do, that the words addressed to us personally were most courteous, even too courteous, and were received with no less courteous applause. We are impressed by and grateful for every courtesy; but courtesies are pleasing to us only when they have for their object, rather than our person, the divine Institution at the head of which the Lord has placed us in spite of our unworthiness, and the things which are related to that Institution. It is, however, in this that our hopes have been most rudely disappointed. We say that our hopes have been disappointed because the long negotiations, although they had not always been easy, had opened our soul to the brightest hopes, and what of all things we least expected were expressions that are heretical, worse than heretical, regarding the very essence of Christianity and of Catholicism. Efforts have been made to heal the wound. These it seems to us have not been wholly successful.

To make the distinction, which some seem inclined to make, between a statement that refers to history and one that refers to doctrine, in a case like the present, would be the gravest and most condemnable modernism; the divine mission to all the nations of the world antedates the vocation of Saint Paul; the mission of Saint Peter to the gentiles antedates this; universality in fact and of right is found in the first beginnings of the Church and of the preaching of the Apostles; by the labors of the Apostles and of Apostolic men she quickly expanded beyond the confines of the Roman Empire, which, as is well known, was far indeed from including all the known world; if it is desired that we refer only to those instruments supplied by Providence for the diffusion and the organization of the Church within the organization of the Roman Empire, one needs to refer only to Dante and Leo the Great, two great Italians, who, in a few magnificent words, have stated and engraved in the records the substance of everything which innumerable others, with greater or less erudition, have restated, often mingled with inexactness and errors, especially when under protestant and modernistic influences. If these two are sufficient there will be no need to quote and produce in evidence a book which since 1912 has been on the Index of Prohibited Books, *L'Histoire de l'Ancienne Eglise*.

To say, in support of the position taken, that for a long time Italian Catholicism has been sterile while intellectual fecundity has existed elsewhere, is to express a judgment too summary to be true and one which is just neither to the good name of Catholicism in Italy nor to that of Italy in Catholicism.

We are unable to bring ourselves, in an hour of pacification such as this, to see either timeliness or generosity in thus dragging from their graves, even praising, laws and regulations, the acts of times long past or of times more recent, but which, oppressive and wounding when enacted, cannot now fail to react painfully on the Holy See, on the Supreme Pontiff and on the Catholics of Italy and of the entire world; it is far worse if, as it seems, they are presented as the preparations for this hour, as if it could be said seriously that tyranny and war are preparations for justice and peace.

We recall and we appreciate the passages, fairly numerous, in which with sufficient explicitness the sovereignty and independence of the Church and of the Holy See are recognized together with the rights derived from these; but even more numerous are the passages which seem to place these in doubt or in which they are neither truly nor justly interpreted.

Moreover, in the Concordat there are face to face, if not two States, most certainly two Sovereignities in the full significance of that word, each perfect in every sense of its own sphere, which sphere is necessarily determined by the end which each pursues, and to this it is scarcely necessary to add that the objective dignity of the ends pursued determines, no less objectively and necessarily, the absolute superiority of the Church.

That the Holy See is the supreme organ of the Catholic Church throughout the world and that, therefore, the Holy See is the legitimate representative of the organization of the Church in Italy cannot be said, excepting in the sense in which it is said that the head is the supreme organ of the human body and in the sense in which it is said that the central and sovereign power of a country is the legitimate representative of each province of that country. It is always the Supreme Pontiff who intervenes and acts in the fullness of the sovereignty of the Catholic Church, which sovereignty, speaking exactly, he does not represent but personifies and exercises by the right of a mission direct from God. It is not, therefore, the Catholic organization in Italy

which subjects itself to the sovereignty of the State, although this be with a condition of special favor, but it is the Supreme Pontiff, the supreme and sovereign authority of the Church, who orders that which in his judgment can and should be done for the greater glory of God, and for the greater good of souls or in the worst case (which is far from being ours), to offend God less or to bring less evil to souls.

We are displeased, and if there were any animosity or bitterness in our soul, we would say we are offended by those not infrequent expressions that nothing has been renounced by the State to the Church, that no control has been lost, that the means have been preserved for exercising vigilance over her, over the clergy, regular and secular, as if, to say the least, it was a question of a suspicious people; as if the Church had ever attempted a true and real usurpation or spoliation to the injury of the State, whereas history proves and it is well known that the contrary is true in Italy and abroad; as if the Church ever had demanded that the State give up the right and authority which truly belong to the State, whereas she is recognized to be the defender of both especially in times of crisis and of difficulty; whereas the Church has never demanded nor does she now demand from the State anything but the right to just and orderly cooperation for the common good, and that that cooperation be in accordance with justice and adapted to the ends proposed.

Cults "tolerated, permitted, admitted"! Far be it from us to raise a question of words. However, the question has been solved, not without elegance, by making a distinction between the texts of the statute and of the bill as it was enacted by the legislature. In the first, which by its nature is more theoretical and doctrinary, the word "tolerated" is to be preferred. In the second, which is of a more practical nature, the words "permitted or admitted" are acceptable, provided there is loyal understanding of these words, provided further that it be and remain clearly and loyally understood that the Catholic religion, and it only in accordance with the statute and the Treaty, is the religion of the State with all the consequences logical and juridical deriving from such a situation under constitutional law, especially with regard to propaganda; and provided finally that it remain no less clearly and loyally understood that the Catholic cult is not purely

and simply a cult, permitted and admitted, but that it is the cult which the letter and the spirit of the Concordat wish it to be.

A more delicate question is presented by the statements made with so much insistence that liberty of conscience has not been diminished and that full liberty of discussion has been maintained.

It is not admissible that the understanding is that there is to be absolute liberty of discussion including such discussions as might easily mislead the good faith of the less enlightened and readily degenerate into disguised propaganda, damaging to the religion of the State, and, by that fact, damaging to the State itself precisely in that which, in the traditions of the Italian people, is most sacred and most essential to its unity.

It is even less admissible, it seems to us, that it has been understood that absolute liberty of conscience, untouched and intact, has been guaranteed. This would be equivalent to saying that the creature is not subject under the Creator; it would sanction by law every kind of formation—deformation would be perhaps a better word—of the conscience, even the most criminal and socially disastrous.

If it is meant that conscience escapes the power of the State, if it is intended to recognize, as it is recognized, that, in matters of conscience, jurisdiction lies with the Church, and with her only, by virtue of her divine mission, then from that flows the recognition that in a Catholic State liberty of conscience and liberty of discussion are to be understood and practiced in accordance with Catholic doctrines and Catholic laws. Logic further requires that it be recognized that the full and perfect mission to teach does not belong to the State but to the Church, and that the State may not prevent nor interfere with her in the exercise and fulfillment of that mission, not even to the extent of restricting the teaching of the Church exclusively to the teaching of religious truths.

From this there can come no injury to the true and proper rights or, we might better say, to the duties of the State with regard to the education of citizens, it being understood always that the rights of the family are safeguarded.

The State has nothing to fear from education imparted by the Church and under her direction; it is this education which gives to modern civilization the foundation upon which rests all that it has that is truly good, all that it has

that leads to better and to higher things.

The family at once perceived that this is true, and from the first days of Christianity down to our own days, fathers and mothers, even those of little or of no faith, sent or themselves brought in millions their sons and daughters to educational institutions that had been founded by the Church and were under her direction.

Less even than the State, if that be possible, have science, scientific method and scientific research anything to fear from the progress of religious instruction, no matter how far nor to what heights it may attain.

Catholic institutions in the field of education and science, whether of low grade or high, need no apology. Evidences more than sufficient in their favor are the favor they enjoy, the praises they receive and the scientific works in ever-increasing numbers which they promote, but above all the men perfectly and exquisitely trained whom they give to public office, to the professions, to education, to life and every field of activity.

But we are unable to place among the eulogies these institutions have received, and much less among the eulogies they have earned, those which it seems, are attributed to the Catholic University of Milan, to us truly most dear, and to the professors of that university for studies and volumes concerning the historical personality and the doctrines of Kant and for others which are out of line with good scholastic philosophy and with Catholic doctrine, and may almost be said to be the result, as they are the evidence, of a leaning toward those doctrines and not as is more probable, the consequence as well as the evidence of the fact that teachers who, being scrupulously conscientious, not willing to refute things which they do not well understand, are bound by the requirements of a curriculum that has been imposed; these requirements are all that is required, and should be accepted as all that is required, to explain and to justify our good Salesians, who have earned so high a place in the field of Christian education, for including (proper precautions being taken) among books selected for their schools certain authors and texts, which the blessed don Bosco, who had such a profound knowledge of men and things, who was so eminent an apostle of learning both classical and professional and above all of sound education, would not have included among those adapted to this high purpose, especially

in a country and among a people like that of Italy which he understood so well.

Our own rather personal experience with education and with books brings frequently to our mind the thought and the fear that there is being prepared for our own dear young people the injury to which long ago Saint Augustine called attention when he said: "They will not know the things that are necessary because they learned the things that are superfluous."

"Catholic State," men are saying and repeating, but "Fascist State." We accept this as proper without special difficulty, even willingly, because doubtless by this joining of the two great expressions it is intended to convey the idea that the Fascist State in its ideas and doctrines as well as in its practical action will admit nothing not in agreement with Catholic doctrine and practice; otherwise there would not be nor could there be a Catholic State.

It is our duty in conclusion to refer to certain expressions which are not altogether in accord or which clearly contradict corresponding expressions agreed to in the Concordat.

It is said with regard to ecclesiastical appointments that the right to pronounce the *nihil obstat* (veto) which would prevent the appointment is reserved to the State. In the Concordat this expression does not appear even once; in a matter so momentous and so delicate even the formula employed calls for the exercise of every attention and exactness.

It is also said that the State "confers juridical personality on ecclesiastical moral entities"; in the Concordat the term used is always "recognizes," not "confers"; we are, and from the beginning of these negotiations by unmistakable signs we have shown that we are very sensitive to any change in the language used on points and matters of this kind.

With reference to marriage, the Concordat confers upon the family, the Italian people, the country even more than the Church, a benefit so great that for it alone we willingly would have sacrificed our life. It has been well said: "There is no room to doubt that morally and by reason of his religious conscience a practicing Catholic who marries has a duty to marry canonically." But not equally well do they say who add: "By law no one can oblige him to do this." The Church, a society perfect in her own sphere, can do this and has a duty to do it, employing to that end those means that are proper

to her; and she will do this and does it from now on, declaring to be outside the communion of the faithful any of her members who neglect or omit religious marriage, preferring civil marriage alone.

The retroactivity of Article V of the Concordat has been repeatedly denied. If reference is made only to the words, we readily admit that the word itself is not found in the said Article V; but the discussions which on this point were had and are preserved in the documents of the negotiations support the view that substantially the said article has true and effective retroactive force.

Much that is beautiful and good has been said respecting the sacred character of the city of Rome, the Episcopal city of the Successors of Saint Peter, the Vicar of Christ, the Head and Centre of Catholic union and for this we are most satisfied and most grateful.

All the greater, therefore, is our amazement at seeing advanced the idea that certain true and undeniable offenses against that sacred character can be tolerated in the name of liberty of conscience or of a wholly misplaced compassion. Of what kind is the liberty of conscience of which they speak? Where might one not arrive by following such a road?

Will the peace endure? To this grave question the answer was given amid great applause. The answer and the applause are unmistakable evidence of what all desire and how deeply they desire it, and it is but natural to think that every one will cooperate toward the realization of that desire, so noble and so holy.

Both in the considerations underlying that reply and in the terms in which it was announced there are affirmations with which we in some measure agree at least in substance; there are others with which we cannot agree. Among these is an apparent grouping of Free Masons with clericals, a grouping which is based on a distinction made, even an irreconcilability held to exist between clericals and Catholics, an ancient but ingenious sophism which not even the warmest applause will ever resuscitate.

Far less can we share the comment in which it is deliberately stated or cleverly implied that the fate of the Lateran Conventions in the future may not be the same for both. We agree, if those who hold this view mean that among the great numbers of things contained and touched upon in the Concordat there are details upon which differences and even disagreements are inevitable which it will be easy

to remedy and arrange; we have nevertheless to recall and declare that, according to the conventions that have been signed, the Treaty is not the only one which cannot be the subject of discussion, or, to express better the idea, the Treaty and Concordat, by their letter and their spirit as also by explicit understandings both oral and written, are the one the necessary complement of the other and the one is inseparable and not to be dissociated from the other.

The consequence of this is that together they will stand or else together they will fall; and as a further consequence Vatican City itself should fall together with the State that is dependent upon Vatican City for its being. So far as we are concerned, with God's help, "the ruins though wounding would not terrify us." We speak thus not because we have abandoned or could abandon any justified and reasonable optimism we may have felt, but in order to say that from this hour we are calmly resigned to and prepared for whatever Divine Providence may desire or permit. This disposition of soul, obligatory to every creature, is for us even more so because of our longer and more enlightened experience of the kind intervention and of the continuous help of Divine Providence, which have been unusually evident in the events of recent months. But this disposition of soul does not prevent even us too from saying that the "peace will endure"; what is more, it makes us say it with greater confidence. We have two

reasons for this confidence—first, after all and in spite of all, we preserve our faith in the loyalty and the good-will of men; second, we preserve our faith, in an even greater degree, in the help of God which is constantly invoked for us and by us. Willingly we add these two reasons to those which were expounded in the Senate, because, in the first place, an agreement in principle having been reached, no difficulty can arise which cannot with loyalty and good-will be overcome, and in the second place without God's help they labor in vain who build the house even though they labor as long, as patiently and as industriously as those who negotiated our Concordat.

There is to be found light as well as the warning of this danger in the thought that, in spite of all the labor, in so short a time, we are obliged to lament with the prophet "the color that was most fast has faded," because we see interrupted, in a manner so thankless and so painful, the great joy of all good Catholics and of all good citizens in Italy and throughout the world not without the all-too-evident satisfaction of others.

And with this faith in the cooperation of men, and still more in God's help, not having said all that we desire to say, or perhaps should have said, but we believe having left unsaid nothing of fundamental importance, we close this letter with our cordial benediction.

On the feast of Corpus Christi, May 30, 1929.

PIUS XI, Supreme Pontiff.

The Question of Papal Sovereignty

[July CURRENT HISTORY contained the text of the Italian-Vatican Pact with two interpretations, one from a Catholic point of view, written by Mr. William F. Montavon, director of the Legal Department, National Catholic Welfare Conference, the other from a non-Catholic standpoint, written by Mr. Charles C. Marshall. Mr. Marshall's interpretation is criticized by Catholics in letters to the Editor, and of the number received the Editor has selected that from Mr. Drescher as the best tempered and strongest. This letter was submitted to Mr. Marshall for his explanation. Both communications appear below. No further letters on this subject will be published.—Editor, CURRENT HISTORY.]

I—A Protest Against Mr. Marshall's Views

To the Editor of Current History:

In his article on the Italian-Vatican Agreement in July CURRENT HISTORY, Mr. Charles C. Marshall makes many state-

ments which bring out anew what to me appears to be the only reason for his writing on the subject of the relationship of the Catholic Church to the State. He tries

to prove that there exists between the two a fundamental conflict which cannot disappear as long as the Church holds to the claims of the Pope that he is by Divine Right the Vicar of Christ and the Vicegerent of God over men. Catholics, of course, acknowledge the Pope as the Vicar of Christ and the supreme authority in spiritual matters, but it is indeed a poor Catholic who admits this only out of fear of "becoming a stranger to all hope of life and salvation."

In the introductory note to the articles in *CURRENT HISTORY*, Mr. Marshall is spoken of as "a recognized Protestant authority on the subject." In view of the misquotations made by Mr. Marshall in his open letter to Governor Smith and in his book, *The Roman Catholic Church in the Modern State*, his right to that title is somewhat questionable. For example, Mr. Marshall offers a quotation as taken from Leo XIII's Encyclical on "The Christian Constitution of States" as follows:

"Over the mighty multitude of mankind God has set rulers with power to govern and He has willed that one of them [the Pope] should be the head of all." However, the passage as given in *The Great Encyclicals of Leo XIII* (New York, 1903), p. 112, reads as follows: "Over this mighty multitude [Mr. Marshall inserts the words "of mankind"] God has placed rulers [the Bishops, of course] with power to govern [spiritually] and He has willed that one of them [the Bishops] should be the head of all [the Bishops]." In the Encyclical, just before the above quotation, the Pope has been speaking of the Church and its members.

Mr. Marshall's reference to the Encyclical of Jan. 6, 1928, of Pius XI (*CURRENT HISTORY*, p. 548) is not new. In his book, above referred to, he professes to see the conflict between Church and State exemplified in the statements of Thomas Jefferson and of the present Pope. He writes: "The Encyclical declares that only the [Roman] Catholic Church is the true religion, and, again, that Roman Catholics believe in the infallible teaching authority of the Roman pontiff, according to the sense in which it was defined by the Vatican Council of 1870, as they believe in the Incarnate Christ and the Triune God. One hundred and fifty years ago the hand that penned the Declaration of Independence wrote in the Virginia Statute of Religious Freedom these words: 'The impious presumption of legislature and ruler, civil as well as ecclesiastical, who, being them-

selves but fallible and uninspired men, have assumed dominion over the faith of others, setting up their own opinions and modes of thinking as the only true and infallible, and as such endeavoring to impose them on others, hath established and maintained false religions over the greatest part of the world and through all time.' "It is not necessary to enlarge upon the inherent antagonism between the words of Jefferson in 1779 and the words of Pius XI in 1928."

Mr. Marshall, however, does not state that Jefferson's fight for the Virginia Statute was not against the Pope, but against "The Church of England as by Law Established" in Virginia. Furthermore, it is hardly likely that the Pope entered into his mind in view of the fact that the founders of every one of the thirteen colonies came to America to seek refuge, not from Papal persecution, but from Protestant churches established by law in the countries whence they came and that every one of the colonies except Catholic Maryland established its own state church on these shores.

In view of the above I do not believe Mr. Marshall is a very trustworthy authority on the subject.

The ghost of "the supremacy of Papal sovereignty, under the sanction of damnation," as stated near the end of p. 548 of July *CURRENT HISTORY*, seems to haunt the gentleman continuously. At the head of the next page he says: "When, therefore, the Dictator of Italy—the genius of the coming Italian Empire—stands with the Pope in making august guarantees and pronouncements of Papal sovereignty in the field of international relations, the apprehension of all those throughout the world who are not Roman Catholics is instantly and emphatically renewed."

What reason is there to believe that Mussolini will guarantee Papal sovereignty in the field of international relations? The Pope has repeatedly spoken against all that Fascism stands for, and that he is not afraid to say what he considers his duty, even to the mighty Mussolini, is best shown by his open letter of May 30, 1929, with regard to certain statements made by Il Duce relating to the Lateran Treaty. This letter was written but two days before the ratification of the treaty and concordat and with full knowledge that it might "entail the fall of the State of the Vatican City," as the Pope says himself. The Pope did not use much diplomacy there. He would never succeed in politics.

In my estimation the trouble with Mr. Marshall's writings on the subject is that he is prejudiced. His judgment is made beforetime, and in considering the Catho-

lic evidence he adjusts it to suit this judgment.

E. S. DRESCHER.

West New York, N. J., July 1, 1929.

II—Mr. Marshall's Rejoinder

To the Editor of *Current History*:

In reply to Mr. Drescher's comments on my article in *CURRENT HISTORY* for July:

I agree with him that it is a poor Catholic who "admits" Papal supremacy "only out of fear." In my opinion, Roman Catholics, like the rest of us, "admit" their doctrines because they sincerely believe them to be true.

It is true, as Mr. Drescher says, that there was a quotation in my letter to Governor Smith, inapposite and inaccurately transcribed. This was explained to Governor Smith. I withdrew the quotation and canceled it. With characteristic fairness he accepted the explanation, making no reference to my error in his reply. In the only authorized reprint of my letter (p. 53) my error in the quotation is noted.

Mr. Drescher says that my reference to the Pope's Encyclical of Jan. 6, 1928, is not new. It may not be new, but Mr. Drescher knows it is true. It is true, as Mr. Drescher says, that in my book *The Roman Catholic Church in the Modern State* (p. 280) I quote Thomas Jefferson, and that I do not state that Jefferson's fight was not against the Pope, but against the Church of England. Jefferson said his fight was against "fallible men" who claim to be infallible and as such have established false religions over most of the world. I believe Jefferson meant just what he said, and that he referred to Divine Right and Infallibility wherever they have appeared, whether in the Church of Rome, the Church of England or the Churches of Luther and of Calvin.

I cannot agree with Mr. Drescher that our Colonial glory was due only to immigration from Protestant countries with Protestant state churches. I know Roman Catholic countries had a share in that glory. Mr. Drescher's statement that all the colonists fled from Protestant perse-

cution is quite fallacious; Protestant Huguenots fled from Roman Catholic persecution and the massacre of St. Bartholomew in France, and Protestant Dutchmen fled from Roman Catholic persecution and the Duke of Alva in Holland.

I agree with Mr. Drescher that the Colonies, except Catholic Maryland, established largely the abomination of state churches and they were Protestant churches, as he says. Catholic Maryland enacted her statute of religious liberty, in which she provided that those who denied the doctrine of the Holy Trinity should suffer death and the confiscation of all their goods.

Mr. Drescher says that "the ghost of the supremacy of Papal sovereignty, under the sanction of damnation," seems to haunt me. It does; it is such a very substantial ghost in Roman Catholicism. In its international and national aspect it is expressly asserted or definitely implied twenty times by the Pope in his agreement with Mussolini and four times in his letter to Cardinal Gasparri. I know of no existing claims of other religions to religious sovereignty by Divine Right either in a church or a Pope. If such claims exist they are, in my opinion, quite as unjustifiable as Roman Catholic claims of Papal sovereignty.

Mr. Drescher asks what reason is there to believe that Mussolini will guarantee Papal sovereignty in the field of international relations. I answer that he has guaranteed it in his agreement with the Pope. Mr. Drescher may have in his mind Mussolini's enforcement of the guarantee—quite a different matter. Enforcement might mean war, but Mussolini has executed the guarantee in the name of Italy and a delighted Pope has accepted it.

CHARLES C. MARSHALL.

New York, July 4, 1929.

Differences in Dawes and Young Reparation Plans

[The differences between the Dawes and Young plans are explained in the following article, the purpose of which is to describe in as compact and as non-technical a way as possible the nature of the settlement reached by the committee of experts appointed to find a final solution of the reparation problem and the new administrative machinery that has been devised. Without any attempt at critical appraisal of the merits of the agreement, consideration is given in turn to the amounts to be paid by Germany; the safeguards provided; the functions of the international bank; and the relation of the settlement to the interallied debts. The full text of the agreement was printed in July CURRENT HISTORY.]

By HAROLD G. MOULTON

DIRECTOR, INSTITUTE OF ECONOMICS, WASHINGTON, D. C.; AUTHOR OF BOOKS ON
WAR DEBTS AND REPARATIONS

APPOINTED for the purpose of arriving at a final solution of the reparation problem, the committee of experts began its sessions on Feb. 9, 1929, and concluded its labors and submitted its recommendations on June 7, 1929. The committee had been set up in accordance with the decision reached at Geneva on Sept. 16, 1928, and consisted of two representatives each of Belgium, Great Britain, France, Germany, Italy, Japan and the United States.

THE SCHEDULE OF PAYMENTS

The agreement provides for payments extending over a period of approximately fifty-eight years to the year 1988. During the first thirty-seven years, to March 31, 1936, the annual payments amount to a constant sum of 1,988,800,000 gold marks, plus the payments required in connection with the 800,000,000 mark loan of 1924, known as the Dawes plan loan. The in-

clusion of these interest and sinking fund charges in the new schedule gradually increases the annuities to more than 2,400,000,000 marks. The average for the thirty-seven years is 2,051,000,000 marks, or \$488,138,000. Thereafter the payments average approximately 1,650,000,000 marks annually for eighteen years, with three final years averaging a little over 900,000,000 marks.

It is obvious that money which is not to be received until many years in the future is not worth its face value at present. Not until it has been received by the creditors can it be put to productive purposes. Accordingly, in figuring the total amount of the payments to be made by Germany, it is necessary to ascertain the "present worth," or immediate cash value, of the scheduled annuities. This works out at about 37,000,000,000 gold marks, or roughly \$9,000,000,000. These figures may be compared with the 133,000,000,000 marks agreed upon in

the London "settlement" of 1921 and with the equivalent of about 44,000,000,000 marks under the Dawes plan. A better basis of comparison with the Dawes plan is found in the annuities. From 1929 on indefinitely the Dawes plan annuities, which included payments on account of the Dawes plan loan, ran 2,500,000,000 marks, as compared with an average of 2,051,000,000 marks for the first thirty-seven years of the Young plan.

The above schedule of payments is intended to cover all German Government obligations arising from the war. The committee recommends that this settlement should "render obsolete the accounts between the Reparation Commission and Germany relating to transactions prior to the period of the Dawes plan, together with all accounts involving credits against the original capital debt." In other words, the committee suggests that all the miscellaneous treaty claims and counter-claims in connection with property rights should be wiped out, even though this might mean a reduction in the sums which the allied governments might otherwise expect to receive.

The reader will bear in mind that this schedule of payments does not include interest or other charges on German State, municipal, industrial or other private loans or investments of foreigners in Germany. Such charges, which at present run to perhaps as much as 800,000 gold marks annually, of course constitute an additional charge on Germany's resources as a whole.

The division of the receipts among the various creditor countries does not vary essentially from that which has previously prevailed. For the first period of thirty-seven years the distribution will be as shown in

the following table, the figures being annual averages:

	Marks	Dollars
France	1,046,500,000	249,067,000
Great Britain...	409,000,000	97,342,000
Italy	213,700,000	50,860,600
Belgium	115,500,000	27,489,000
Yugoslavia	84,000,000	19,992,000
Rumania	20,100,000	4,783,800
Greece	7,000,000	1,666,000
Portugal	13,200,000	3,141,600
Japan	13,200,000	3,141,600
Poland	500,000	119,000
United States...	66,500,000	15,827,000
Service of the Dawes loan...	61,800,000	14,708,400
Total.....	2,051,000,000	488,138,000

The American annuity consists of 40,000,000 marks for mixed claims and 26,500,000 marks for meeting the costs of the Army of Occupation. After the thirty-seven-year period the United States will continue to receive for fifteen years annual instalments of 40,800,000 marks. Administration officials in Washington agreed in advance to reductions in these accounts; but to become effective, Congressional ratification is necessary. This will probably be handled as a separate agreement with Germany, since the United States Government is apparently unwilling to become an official party to the plan as a whole because of possible complications in connection with interallied debts.

DELIVERIES IN KIND

An interesting feature of the settlement is the provision that payments in the form of direct shipments of goods to the creditor countries shall cease after ten years. Thereafter, unless special arrangements for continuance of such direct payments are voluntarily made between Germany and particular creditors, all payments will have to be made in foreign exchange available to Germany as a result of ordinary trade and financial operations. Certain creditor countries were

strongly opposed to the abolition of all payments in kind as prejudicial to their own trade; while Germany strongly insisted that if opportunity to make direct payment in goods were denied, her capacity to pay would be materially reduced and her economic system seriously deranged. The settlement accordingly provided a compromise whereby payments in kind should be reduced 50,000,000 gold marks annually for ten years, beginning with 750,000,000 marks the first year and ending with 300,000,000 in the tenth year.

"COMMERCIALIZED" PORTION

Before the committee was appointed there was much discussion of the possibility of finding a solution of the reparation problem by selling German industrial and railroad bonds in world markets, thereby placing Germany in possession of large capital sums with which the principal of the reparation debt might be largely liquidated. The receipt of these principal payments by the allied governments would in turn enable them to liquidate a large portion, if not the whole, of their debts to the United States. The Young plan makes only partial provision for selling bonds to private investors.

The annual instalments due are divided into two parts—660,000,000, which is called an *unconditional* obligation, and the balance which, as we shall presently see, is subject to *postponement* under certain conditions. The creditor governments, whenever they regard the conditions of the world's investment markets as opportune, may ask the German Government to create bonds representing the whole or any part of the capitalized value of the 660,000,000 marks of annual unconditional instalments. Since 660,000,000 marks

is 6 per cent of 11,000,000,000, we might have a maximum of 11,000,000,000 marks of bonds issued for sale to investors generally. It is not contemplated that such a total would be issued in any one year; and it is possible that a substantial portion may never be issued. The committee recommended that France be allocated 500,000,000 of this 660,000,000 of unconditional payments.

This 11,000,000,000 marks of bonds which may be issued is the exact equivalent of the railroad bonds which were deposited with the Agent General for Reparation Payments under the Dawes plan. Under that plan there were also pledged 5,000,000,000 marks of bonds of German industries. The Young plan retains the railroad bonds but not the industrial bonds. While the bonds that may be sold in world markets are thus precisely equal and in a sense the equivalent of the German railway bonds, they are in fact to be the direct and unconditional obligation of the German Government.

SAFEGUARD PROVISIONS

The new reparation agreement differs essentially from the Dawes plan in respect to the vitally important issue of protection in the event that Germany should find it impossible to meet the schedule of payments agreed upon. Under the Dawes plan, it was definitely stipulated that if Germany should find it impossible to obtain sufficient foreign exchange from her international trade and financial operations to meet the required payments, the transfer of funds would be postponed and if necessary the payments would ultimately be reduced or even canceled altogether. It was then the view that exchange stability must, above everything else, be

maintained and that in consequence the entire volume of payments should be made contingent upon Germany's capacity to earn the necessary foreign exchange. Indeed, Germany's obligation was regarded as definitely fulfilled as soon as payments had been made in German marks to the Agent General for Reparation Payments. The conversion of this German money into foreign exchange was a responsibility of the Agent General.

TWO KINDS OF ANNUITIES

The Young plan provides no such complete safeguards for Germany, since to have done so would have made it impossible to reach a final settlement. The agreement does, however, provide considerable flexibility of administration for the larger part of each annuity. The annual payments, as we have seen, are divided into two classes, *unconditional* annuities, amounting to 660,000,000 marks, and *conditional*, or postponable, annuities representing the balance of each annuity. The unconditional payments are, it will be observed, precisely the same as the portion of the debt that may be commercialized; this had to be the case since bonds could not be sold to private investors if they were subject to postponements of interest payments and reduction in principal in the event of economic difficulties in the future. This figure of 660,000,000 marks a year (which includes interest on the Dawes plan loan) the committee states is a conservative estimate of Germany's minimum paying capacity under any and all circumstances. They not only inform the governments of the creditor countries that this amount is certain of payment, but they also proclaim to potential investors throughout the world that in their

judgment 11,000,000,000 marks of German bonds may be bought with reasonable assurance of safety.

The *conditional* portion of the annuities is also not reducible; it is merely postponable for a period not exceeding two years. The German Government is accorded the right, on giving at least ninety days' notice, to suspend payments of any portion of the *conditional* obligations for as long as two years. If, for example, the instalments due in 1933 were postponed until 1934, there would be due in 1934 two instalments. The 1933 instalment could then be postponed a second year—to 1935; but the 1934 instalment could not be postponed for more than one year until the overdue 1933 instalments had been paid in full. Thus Germany can never be more than two years in arrears; and all postponed payments remain unconditional ultimate obligations.

The safeguard afforded by this *conditional* provision is thus essentially different from that of the Dawes plan, which permitted a permanent scaling down of obligations if future economic developments should show Germany's capacity to pay to be less than had been anticipated. The postponable provision merely recognizes the possibility that Germany might have temporary exchange difficulties; it does not concede the possibility that Germany's normal or average capacity to pay can be less than the totals prescribed in the annuity schedule.

Additional protection against possible temporary difficulties in securing exchange is afforded by the international bank, which the plan provides for, and which, as will be seen, is empowered to extend credit to Germany to enable the government to procure the necessary ex-

change at times when the German Government might otherwise be temporarily embarrassed.

THE INTERNATIONAL BANK

The internationally organized and controlled bank that has been recommended is perhaps the most interesting and certainly the most constructive feature of the Young agreement. In brief, the new bank provides the necessary machinery for administering reparation payments and makes possible in due course a more effective control of international finance generally. The general plan of organization and the functions of the bank have been worked out with great care and involve many technical considerations which cannot here be adequately discussed. In brief, however, the salient features are as follows:

1. The bank will replace the office of the Agent General for Reparation Payments and will receive all payments from Germany and make the necessary disbursements to the various creditor governments.

2. It will make loans to Germany to meet temporary emergencies and invest funds, temporarily undischarged, within Germany.

3. It may facilitate payments in kind by short-term loans to purchasers of such commodity deliveries.

4. It will have charge of the flotation of such bonds as may be commercialized.

5. With the aid of a special advisory committee, the bank will safeguard the interests of the creditor countries in the event the German Government asks for a postponement of payment of the conditional part of the annuities.

6. The capital stock of \$100,000,000 will be allocated geographically with a view to enlisting the finan-

cial interest of all the countries which are a party to the agreement.

7. The management will be under the control of the existing central banks of the interested countries. The board of directors will consist of the governor, or chief executive officer, of the central bank of each participating country and an additional director appointed by each governor and representing the interests of finance and industry. The governors of the Bank of France and the Reichsbank are each entitled to one additional director similarly chosen. This group of directors in turn selects not more than nine additional directors from lists submitted by the various central bank governors.

8. The bank may receive deposits from central banks and make loans to central banks, and it may buy and sell gold coin and foreign exchange.

9. It may buy and sell for its own account intermediate or long-term securities, and it may issue its own obligations, either short or long term, secured or unsecured, for the purpose of relending the funds thus obtained to central banks.

10. The bank may make loans to facilitate trade expansion, not only for Germany but for the world generally, particularly by financing the construction of public works and industries in undeveloped regions.

11. Finally, the bank is expected to become eventually a clearing house for central banks and thus to eliminate the necessity of shipping gold in the settlement of international transactions.

In general, the bank is conceived as a supplement to existing banking facilities. It will not seek to compete with central banks, but, controlled by them, it will amplify their facilities and promote cooperation among them in handling interna-

tional financial problems. The international bank, in a word, is intended to play a rôle in international finance very similar to that which central banks and our Federal Reserve Banks play in national finance. Indeed, in both its organization and its function it follows rather closely the model of our Federal Reserve institutions. The international bank may properly be regarded as a grand central bank for central banks—clearing house for world transactions. Its functions in connection with the administration of the reparation payments will in time doubtless prove quite incidental to its larger function of promoting international financial stability generally.

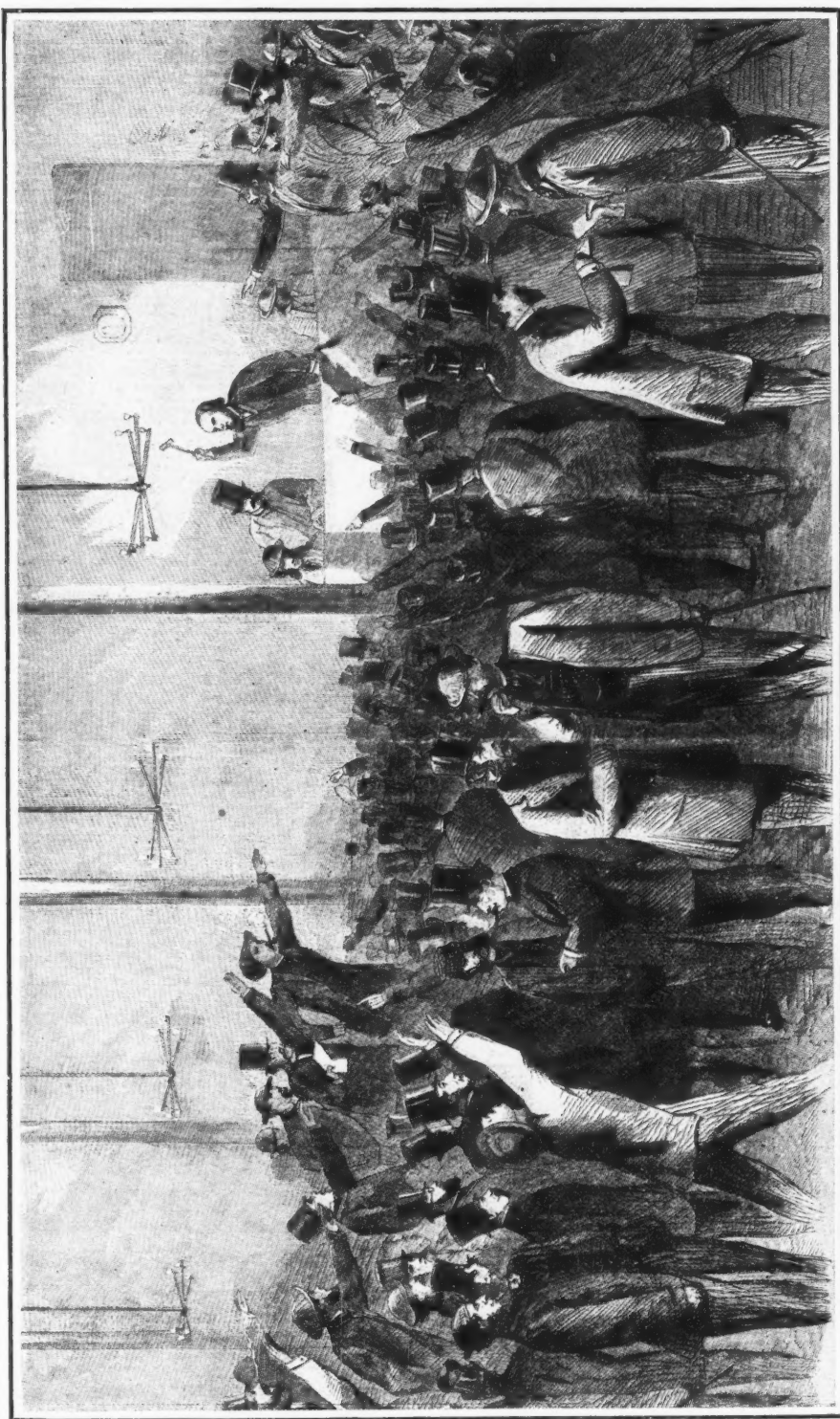
RELATION TO INTERALLIED DEBTS

The committee experts could not escape at any stage of its discussions consideration of the relation between interallied debts and German reparations. Officially declared to be legally separate and distinct, these questions have always been economically inextricably connected. The plan that has been evolved in fact ties them together in a most interesting way. For example, the time period over which the payments are to be made practically coincides with that during which the interallied debts are to be paid; and the instalments of the later years closely approximate those of the interallied debt schedules.

Of greatest interest and significance is the plan for canceling German reparation obligations, if, as

and when interallied debts are further reduced. This provision is not made a part of the agreement proper, but is a special memorandum signed concurrently with the main report. The experts of the four chief creditor countries and of Germany recommend that if creditor countries receive any relief on their "outpayments" (a polite term for allied debt obligations) Germany shall be granted a reduction equal to two-thirds thereof during the first thirty-seven-year period and equal to the entire amount during the last twenty-two years.

This supplementary agreement opens the way for possible relief to Germany in the event that permanent difficulties should be encountered in meeting the postponable portion of the annuities. If Germany cannot meet her obligations in full the principal creditor countries, in the light of this agreement, would clearly be ready to grant very substantial reductions, provided the United States Government will take the lead in reducing interallied debts. Germany and the principal European creditors thus have a mutual interest in seeking a modification of the terms of the American debt settlements. Without this possibility of ultimate relief, it is extremely doubtful whether the German members of the committee would have been willing to sign the reparation agreement paper. In any event, it leaves the door open for future adjustments of a problem which has already passed through so many stages of settlement.



Stock gambling at Gallagher's evening exchange, in the old Fifth Avenue Hotel, New York. From a print in *Harper's Weekly* of May 7, 1864

American Speculative Manias, Past And Present

[The recent history of the New York stock market makes it appropriate to recall the fact that outbursts of speculative energy have not been unusual since the earliest days of the Republic. The writer of this article is an economist, a lecturer on finance in New York University, and statistician and financial expert to a leading investment house. He has also been an examiner for the Federal Trade Commission. Of his books the most important is *Principles of Investment*.]

By A. M. SAKOLSKI

DURING the last five years there has been a speculation fever which, though not unprecedented, marks a new stage in American economic annals. In this period the volume of transactions on the principal security markets has quadrupled and prices of securities until the recent decline have almost continuously moved upward. Millions of the population, who formerly were indifferent to stock market fluctuations, now eagerly scan the quotation lists and calculate daily their gains or losses.

The new and widespread demand for common stocks has caused a substantial decline in the output of securities with preferred equities in earnings and in assets. It has, at the same time, resulted in a corresponding increase in the number and volume of corporation shares representing almost every conceivable business undertaking.

The genesis of this most recent of American speculation manias is found in the wave of American business prosperity which started after the "deflation period" of 1920-1923. The readjustments in business and

in finance which have occurred since that time have produced remarkable opportunities for operating economies and consequently larger business profits. The recovery was fostered by the easy credit conditions resulting from a redundant gold supply which accompanied the European currency inflation.

Thus, the foundation was laid for an almost unprecedented business expansion. Banks and other financial institutions, as well as individuals possessing large cash resources, turned to high income-yielding securities for profitable use of funds. Moreover, the growing popularity of common stocks as investments enabled business concerns to avoid borrowing from banks by obtaining capital through stock issues sold directly to stockholders or the public. New capital, acquired in this way, by creating valuable subscription "rights," fanned the fires of speculation. A further impetus came from a renewal of industrial mergers which had been retarded during the anti-trust agitation of the pre-war period. The speculation mania thus engendered has led to an enormous increase in stock ex-

change transactions and a corresponding expansion of collateral loans. The Federal Reserve Board figures of such loans granted by member banks show an increase from about \$2,516,000,000 in June, 1926, to over \$5,562,000,000 on April 1, 1929. The New York Stock Exchange, which compiles the reports of its members' borrowings, showed a similar expansion.

As long as American gold reserves were redundant, this unprecedented credit expansion had no appreciable effect on current interest rates. However, the heavy foreign borrowings in the United States and the restoration of European currencies to a gold basis led to the beginning, in 1925, of large gold exportation. In the three years 1925-1928 inclusive, the net export of gold exceeded \$500,000,000. The economic consequences of this outward gold movement were a resort to heavier rediscounting at the Federal Reserve banks and an almost continuous rise in short-time interest rates. Call money rates, which only occasionally exceeded 5 per cent before 1927, have averaged about 10 per cent in recent months and at times have soared to 20 per cent.

The Federal Reserve Board, which was created in 1912 by Congress as a credit regulator, naturally became alarmed by the new turn of events in the money market. On Feb. 2, 1929, it issued a "warning" to the banks against the encouragement of speculation and the consequent rise in current interest rates through the liberal granting of loans on stock collateral. But the speculation fever continued unabated until the last week in May. As the situation is not without precedent it may be of interest to revert to similar manias in the country's past history.

The first epoch of feverish speculation in the United States began soon after the adoption of the Federal Constitution. It was concerned chiefly with dealings in land and in government debts. Stock speculation then was almost non-existent because corporations were very few. In fact, the only early American corporation whose shares attracted public speculation was the first Bank of the United States, chartered in 1791. The stock of this institution was eagerly sought by capitalists both at home and abroad, and the market quotations occasionally rose to inordinate heights.

EARLY LAND SPECULATION

Land deals on a large scale constituted the leading speculative activity of American business men following the Revolution. Nearly all the prominent statesmen and capitalists of the time were concerned in land transactions. Notwithstanding the opposition of Jefferson, Thomas Paine and a host of pamphleteers, "land jobbing," as it was commonly called, continued unabated for almost a quarter of a century, to arise again with renewed energy in the decade before the panic of 1837.

An important factor in the promotion of post-Revolutionary land speculation was the existence of a large floating supply of military land warrants. The separate colonies, being hard pressed for cash to pay their soldiers, rewarded them with allotments from their public domains. The warrants or certificates representing these claims were bought up by speculators, who presented them in payment for large undeveloped tracts. The immense land holdings of Robert Morris, the financier of the Revolution; John Nicholson, his partner; William Bingham of Philadelphia and



A PANIC IN WALL STREET
From *Harper's Weekly* of Oct. 10, 1857

Timothy Pickering arose chiefly in this way. A number of the speculators, however, obtained large tracts by direct purchase from the State and Federal governments. In order to effect these purchases, "associations" or "companies" were organized and the shares distributed among the public.

The most notorious of these land "associations" were the so-called Yazoo land companies. As a result of the peace treaty with Great Britain, which fixed the Mississippi River as the western boundary of the United States, Georgia became the owner of a vast unsettled region beyond the Alleghanies. Through the solicitation of New England speculators, the State Legislature in 1789 was induced (by means of bribes, it is alleged) to dispose of about 30,000,000 acres for \$500,000 to four separate companies, called the Georgia, the Georgia-Mississippi, the Upper Mississippi and the Tennessee-Yazoo companies. The separate tracts acquired by each of

these companies were further split up, and one of the divisions was sold to the New England-Mississippi company, whose "shares" were widely distributed among Massachusetts and Connecticut speculators.

The sale of so vast a territory for a nominal sum without proper deliberation produced so much opposition that, when the Georgia Legislature again convened the following year, the whole transaction was repudiated, and the territory in question was later ceded to the United States. This action produced consternation among the purchasers of the Yazoo "shares." As the Federal Government had taken over their land, their claims for compensation were presented year after year in petitions to Congress. It was not until 1814, twenty-five years after the sale was made, that Congress paid \$4,282,036 in government bonds to the claimants of the Yazoo Company "shares."

The Yazoo scandals caused no

abatement in the prevalent land speculation. The various State governments, impoverished by the war, sought to strengthen their finances by the sale of the unsettled portions of their public domains. Massachusetts disposed of the whole western portion of New York, allotted to it as part of its original charter grant. It was first purchased by Oliver Phelps and Nathaniel Gorham, two New England "land jobbers," who, when unable to meet their payments, turned it over to Robert Morris. After disposing of his New York lands to English and Dutch capitalists with a moderate profit Morris entered into other and still larger deals. With his partners, John Nicholson and James Greenleaf, he bought up large tracts in Pennsylvania, Georgia, Virginia, Tennessee and Kentucky, and also became the largest owner of lots in the newly created Federal city of Washington. In 1795 the three partners pooled their vast land holdings in the North American Land Company—the first gigantic American "trust." The capital was \$3,000,000, divided into 30,000 shares, and the lands acquired exceeded 6,000,000 acres. The promoters, seeing that this vast acreage could not be disposed of at home, made strenuous efforts to interest foreign capitalists. Their European agents, however, met with little success, with the result that the land-jobbing triumvirate, unable to meet their obligations, were forced into the same debtors' prison—the "Prune Street Jail" in Philadelphia.

Other large land speculators of the time fared little better in their deals. Alexander Macomb, who bought the whole Adirondack region of New York—still known in deeds as "Macomb's Great Purchase"; William Duer, his partner in spec-

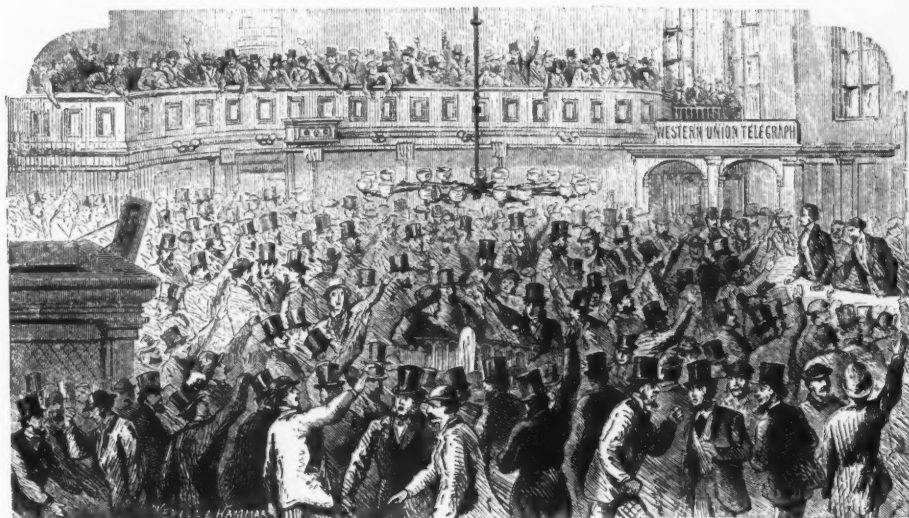
ulation, and Andrew Craigie of Boston also landed in a debtors' prison. Duer, prominent in New York social life and the successor of Morris as chief of the Federal Treasury Department, was the promoter of the "Scioto Project," a scheme to obtain a large tract in Ohio from the Federal Government. Like Morris, he and his associates endeavored without success to attract foreign purchasers. The whole project collapsed and the land reverted to the government. The Ohio Company, organized by Manasseh Cutler at about the time of the Scioto Project, succeeded in obtaining a grant of 1,000,000 acres, but this was a genuine land-settlement scheme and not a speculative enterprise. The Connecticut Land Company, which purchased the "Western Reserve" in Ohio, was also to some extent a land-settlement scheme, but the chief object of its promoters was undoubtedly financial gain. The "Symmes Purchase" of the Miami region of Ohio, where Cincinnati is located, was intended as a money-making enterprise. In this respect, however, it was not a success, and the chief promoters, John Cleves Symmes and Jonathan Dayton, died in comparative poverty.

GAMBLING IN DEBTS

While "land jobbing" was engaging the attention of capitalists in the early days of the Republic, gambling in government debts was not neglected. In fact, the two were closely related. At the end of the Revolution all forms of government obligations were selling at nominal values. The interest-bearing bonds of the Continental Congress, known as "loan office certificates," the "specie warrants," the "indents of interest," representing unpaid interest on the Revolutionary debt, and

the "soldiers' certificates," that is, warrants representing claims for back pay due the soldiers, as well as the circulating notes of the various States, could be bought from one-half to less than one-tenth of their face value. These were hoarded by the leading merchants and capitalists of the time, some of whom were reported to have sent agents into

eral obligations. The gambling spirit was encouraged, and a wave of unpopularity arose against the "jobbers." Pamphlet after pamphlet denounced them, to no effect. When the new Federal bonds, which appeared in 1790, were given in exchange at full value for the outstanding obligations the speculation subsided somewhat, but it was re-



THE GOLD EXCHANGE, CREATED IN 1862

Illustration by Arthur Lumley, from *Ten Years in Wall Street*, New York, 1876

remote sections to gather them up. New York was the centre of this speculation. William Duer, Andrew Craigie, Christopher Gore, Herman LeRoy and other well-known merchants appear to have been associated in speculative deals. These operated successfully through Dutch affiliations. Alexander Hamilton was accused of association with them when he proposed to Congress his funding plan and the assumption of the State debts. Jefferson bitterly opposed the funding policy because it favored the speculators, but Hamilton succeeded.

The immediate effect was a rapid rise in value of the State and Fed-

newed with increased vigor the next year, and collapsed in March, 1792. The immediate cause of this was the bankruptcy of both William Duer and Alexander Macomb, who were associated in an attempt to corner the new United States obligations. They borrowed heavily to carry out their schemes and were soon unable to meet their notes. On March 23, 1792, Duer went to jail, and in a few days was joined by Macomb. Both had caused the ruin of many of their friends. A financial panic ensued, and it was only through the aid of the recently organized Bank of New York that Hamilton, then Secretary of the

Treasury, was enabled to prevent the collapse of the government's credit. Rampant speculation in the government debt then practically ceased until after the War of 1812.

SPECULATION IN BANK STOCKS

The speculative spirit soon found a fresh scope in bank stocks. This mania prevailed intermittently from about 1800 until after the panic of 1837. Its beginnings, however, can be traced to the chartering of the First Bank of the United States in 1791, the shares of which were immediately used for speculation on both sides of the Atlantic. The success of the bank and the eagerness with which the public sought its shares encouraged the chartering of similar institutions by the various States. The grant of the banking privilege at this time, however, was guarded jealously. Only after the War of 1812 did "wild-cat" banking become prevalent, because of the general scarcity of currency. Where the laws permitted, it was easy to establish a "wild-cat" bank. Little cash capital in many cases was required, since the newly organized banks could issue their circulating notes to shareholders on the pledge of their shares. These notes would be distributed over a wide territory, and the bank proprietors, if they desired, could readily travel about and buy them up and redeem them at a heavy discount from their face value. In some instances there appears to have been no intention of redeeming the bank notes in specie, and when the notes were returned in large amounts for redemption, the bank simply "closed down." Bank failures were common occurrences in the "wild-cat" banking era before the panic of 1837.

The bank mania spread throughout all sections of the country. The

number of State banks grew unceasingly, and the privilege of subscribing for their shares commanded, in many instances, high premiums. Banks were accordingly organized not so much for making a profit from their operations as for stock jobbing purposes. The depression of 1818 caused a setback, but a period of still wilder speculation started again about 1830. In five years the banks of the country doubled in number, and their note circulation flooded the country with "rag currency." About this time President Andrew Jackson began his war against the renewal of the charter of the Second Bank of the United States, resulting in its ceasing operations on March 3, 1835. This gave a further impetus to the increase in local banks and wild speculation in their shares. This mania continued unabated until the panic of 1837.

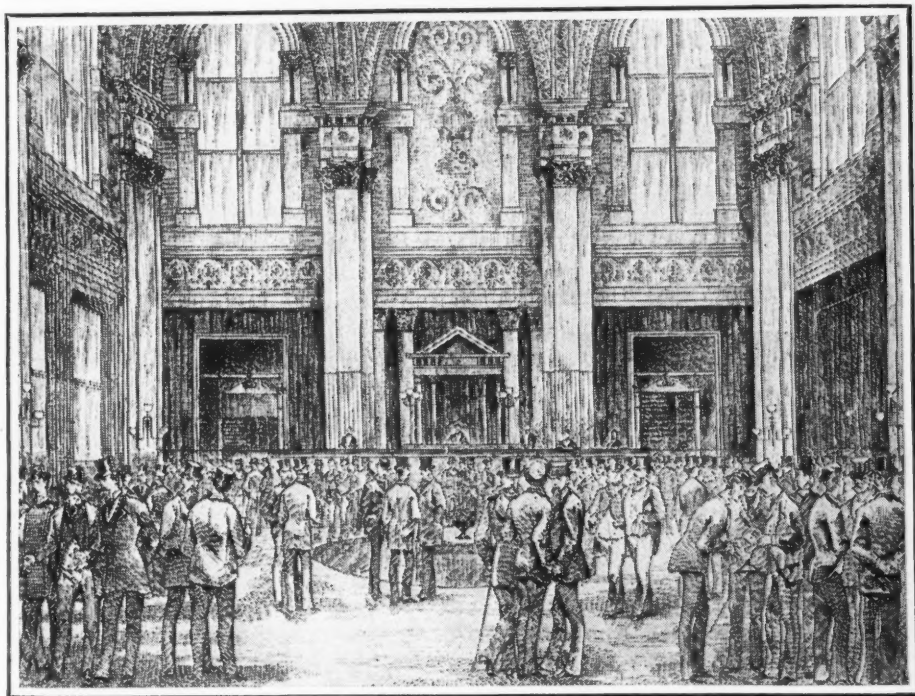
CANAL AND RAILWAY CRAZE

The craze for canals and railroads, which first appeared during the period of the banking mania, was an outgrowth of the "town jobbing" and land development schemes accompanying the settlement of the western territory. Cheap inland transportation was early recognized as necessary to economic progress. Washington was personally interested in the Potomac Company, organized to facilitate western transportation, and he encouraged similar developments elsewhere. On the successful completion of the Erie Canal by New York State in 1825, the movement became a mania. Other Eastern States, fearing the loss of their commercial importance because of the competition of the Erie Canal, undertook similar improvements. Both State and private enterprise played their part. Mary-

land, Pennsylvania, Illinois and Ohio spent large sums on canals, and all became practically bankrupt after the panic of 1837. Private canal undertakings such as the Union Canal Company of Pennsylvania, the Delaware and Hudson and the Morris and Essex Canal companies were popular speculations during this craze. Their shares were quoted daily and prices at times underwent wild fluctuations.

The speculation in canal shares, which began about 1820, reached its zenith about 1830, when the practicability of railroads became manifest, and enterprise began to turn toward this new mode of transportation. The growth at first was slow, but by 1837 about 1,500 miles of railroad had been constructed almost entirely with private capital. The panic of 1837 did not hinder the

movement, despite the bankruptcy of many railroad undertakings. Until after the Civil War, however, speculation in railroad shares was largely local in character. At this time the government's liberal land grant policy, initiated in 1851 with the grant to the Illinois Central Railroad, combined with the superficial prosperity induced by currency inflation of the period, brought on a veritable mania for railroad shares. It culminated in the panic of 1873, when the banking firm of Jay Cooke & Co., which had promoted the Northern Pacific, closed its doors. More than a decade passed before railroad shares again became speculative favorites, though railroad construction continued to advance. The numerous railroad bankruptcies following the panic of 1893, when more than one-



THE NEW YORK STOCK EXCHANGE
From the *New York Daily Graphic* of Dec. 1, 1873

quarter of American railroad mileage was then in receivers' hands, gave railroad securities a new setback. But the period of reorganizations and mergers which followed popularized railroad securities again for both investments and speculation. It is only within the last twenty-five years, during which the gigantic industrial "trusts" were organized, that railroad securities have been continuously losing ground as the leading class of speculative securities dealt in on the New York Stock Exchange.

GREENBACKS AND GOLD

The outbreak of the Civil War, coming soon after the panic of 1857 and the depression of 1860, found the American speculative spirit at low ebb. But a new fever soon developed. In December, 1861, the United States Treasury suspended specie payments and within two months the first legal tender act creating the "greenbacks" was enacted. The premium on gold, which immediately resulted, increased almost steadily and gold began to be dealt in as a commodity on a large scale. The business of the gold brokers in the Wall Street district became so heavy that the traders and speculators blocked the sidewalks and the police had constantly to keep the crowds moving. For the convenience of the "gold traders," a Gold Exchange was created in the Autumn of 1862. Like the Stock Exchange it was a voluntary organization and its membership comprised bankers, brokers and merchants of the principal cities of the Union. As the speculative fever developed, the "Gold Room," as the exchange was called, was the centre

of financial interest. It was crowded daily by all classes of excited individuals eager to take advantage of the fluctuations in the price of the metal. At first the transactions were carried on by the actual delivery of the gold, but as this was too cumbersome and too costly to favor easy speculation, in 1865 a Gold Exchange Bank was started as an adjunct to the Gold Room. This institution, capitalized at \$1,000,000, acted as a clearing house for the Gold Room at a fixed rate of compensation.

Despite public denunciation against the gold speculation and the enactment of a Federal law in 1864 prohibiting the sales of gold unless the seller had it in his actual possession and delivered it to the buyer the same day, the craze continued with increased momentum. In fact, the anti-gold law remained on the statute books only two weeks, during which time the price of gold, instead of declining, rose from 198 to 250. No reason was given for the repeal of the law, and very little attention was paid to it. Neither commodities nor securities offered at the time such favorable opportunities for profit. Toward the end of the Civil War, when the government's policy against further "greenback" issues was definitely established, gold speculation took on a truly gambling aspect. Fluctuations were frequent and at times abrupt. Well-known speculators of the time, prominent among whom were Jay Gould and his partner James Fisk Jr., were occasionally accused of cornering the stock of gold to raise its price or of "locking up" greenbacks so as to lower the gold premium and buy in their short commitments at a profit.

President Irigoyen of Argentina

[Gustavo Martinez Zuviria, the real name of the author of this article, though not that by which he is best known, is an Argentinian who is recognized as one of the outstanding literary and intellectual figures of Latin America. He has won distinction both as a Professor of Sociology and Economics in his native country and as a novelist whose works have been translated from the Spanish into a number of other languages. His principal book on politics is a criticism of Argentine conditions, entitled *A Badly Administered Country*.]

By HUGO WAST

FOR the second time Hipolito Irigoyen is President of the Argentine Republic, which has a Constitution very similar to that of the United States. Argentina is a confederation of fourteen States (provinces) which govern themselves autonomously and have their own Legislatures, Constitutions and laws. The fundamental laws, the civil, penal and commercial codes, are Federal; they are enacted, that is, by the National Congress for the whole country. The Argentine President governs for a term of six years. He cannot be re-elected for the succeeding period, but he can be after one administrative period has intervened. That is the case with Señor Irigoyen. He was President for the first time between 1916 and 1922; he was again elected in 1928. It is certain that, had it not been for constitutional provision that forbids immediate re-election, he would have been re-elected for a second and perhaps a third term.

There has never been in Argentina a more popular party leader than Señor Irigoyen. This popularity is frequently invested with mys-

tical characteristics by the mass of the people, among whom it is frequent to hear him called "the father of the poor," giving to the word "poor" the sense of worker or wage-earner. Neither time nor the difficult test of his first administration has diminished this immeasurable prestige. On the contrary, in 1916, the Radical party, which is Señor Irigoyen's party, polled a bare 400,000 votes in the whole country. It must be borne in mind that the President is elected indirectly. The people vote for electors; they in their turn elect the President. In 1916 the Electoral College consisted of 300 members of whom 151 voted for Irigoyen. He won his first election, therefore, by the slenderest of majorities.

In 1928 the Radical party entered the contest divided into two factions. On the one side were those supporting the candidacy of Senator Dr. Melo, calling themselves "anti-personalists" to express their repudiation of the absorbing action and personality of Señor Irigoyen; on the other side, the Irigoyenistas, directly inspired by Señor Irigoyen and supporting his candidacy. The

"anti-personalists" counted on President Alvear's support, as he had openly shown favor to Dr. Melo's candidacy. In Argentina the President's favorable opinion of a candidacy, when accompanied by official action, distribution of patronage, intervention of the national government in provincial affairs, and so forth, is a trump card. But President Alvear, in spite of his preference, remained neutral, and the Irigoyenistas polled 1,000,000 votes, doubling the number obtained by their opponents. In the Electoral College, Señor Irigoyen was elected by a majority of more than two-thirds.

THE PRESIDENT'S POPULARITY

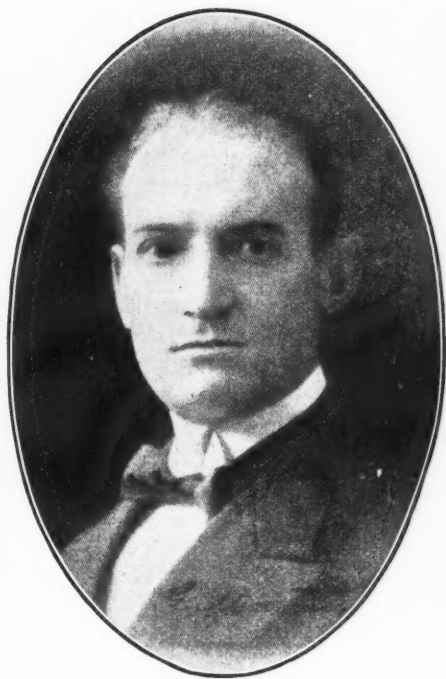
How is this popularity to be explained? Irigoyen has never delivered a speech; he has not written books; he had occupied no public post before his first administration; his policies were vague; his political manifestoes were strange and obscure. I, myself, would like to have some one clarify this phenomenon to me with a precise and not very lengthy formula. There are, I believe, several explanations. In the first place there is the idea, perfectly crystallized among the people, that Irigoyen is especially favorable to the interests of labor. In the second place, there is his ability in working before the elections, through his lieutenants, to obtain votes. In the third place, there is the law of the attraction of the masses—as the probabilities of victory gather around a candidate his partisans increase in geometrical proportion. This can also be expressed thus: Irigoyen works with his capital and his credit; his adversaries work with their capital only. These explanations would satisfy me if I did

not realize that each of the three must in its turn be explained by several others.

ATTITUDE TO LABOR

As to the first, it remains to be explained how the idea that Señor Irigoyen is more favorable than other politicians to the interests of labor has spread among the people. This is a mystery, because Irigoyen does not write or speak in public, and for quite a while his very existence was placed in doubt, as there were very few people who had actually seen him in the flesh and no photographs of him were to be found. In the second place, it remains to be explained how the same lieutenants who won elections while working for Irigoyen lost them when they were working for others. There is a third mystery, because to explain the victory of an Opposition candidate (which Señor Irigoyen has been in his two Presidential campaigns) by the attraction of the masses is to fall into a vicious circle. Let us try another explanation. The first administration was a blank check placed by the country in Señor Irigoyen's hands; but the second administration can only be explained as an approval of the first by a nation satisfied by the use he made of that check. This is clear and briefer, but unfortunately it is not true, as we shall presently see.

I have been asked many times if President Irigoyen is a dictator. Some say that he is. An eminent Argentine statesman, Dr. Villafane, Governor of the State of Jujuy, published a very interesting book during Irigoyen's first administration entitled *The Last Dictator*. In Argentina, when dictatorships are mentioned, the bloody history of the tyrant Rozas, who governed the country for a quarter of a century



HUGO WAST

and was deposed in 1852, is recollected, and it is but natural that our flesh should creep at the thought that such times may return. But I believe that the fears awakened by Señor Irigoyen as a probable dictator have by this time been dissipated. Whatever is still said or written along that line is nothing but literature for the use of the Opposition clubs.

Señor Irigoyen has not been, is not, and will not be, a dictator. I do not say that he has not upon occasion felt the temptation of becoming one, nor that many of his partisans have not wished to see him assume that rôle; but the man is very shrewd and he realizes that the Argentine of today is not the Argentine of Rozas's time. Moreover, he understands that his prestige is purely that of a civilian, and that he could not count on the national army for such an adventure. The

best proof that he is not a dictator is that he has obeyed the laws most repugnant to him; that he took office for the first time before a parliament the majority of which was composed of his opponents, a parliament which it would have made him happy to dissolve; and that he quitted the Presidency in favor of Dr. Alvear on the last day of his term. Furthermore, during those six years his most dangerous opponents lived in the republic, fought against him, won elections against him and occupied public posts. Great newspapers have attacked him year in and year out, and even insignificant sheets have insulted him with impunity. A true dictator does not tolerate such things.

Nevertheless, President Irigoyen is not a normal ruler. He has repeatedly declared that it is his mission to re-establish the authority of the constitution, but he interprets that document in his own way. He has no constitutional scruples. When an article of the Constitution gets in the way of a strong political interest, he hurdles it as easily as a gaucho of the pampas hurdles a wire fence. Does he wish to place his partisans in power in a certain State? He sends a federal commissioner backed by regular troops to that State to declare the local government suspended (Governor, Senators, Deputies, Judges) and to call for an election in which his friends are sure to win. Nor has he any administrative scruples. If he needs money, and believes that Congress will not furnish it, he does not request it of Congress, but of the National Bank or of some private bank. The money is always forthcoming because the country's credit is excellent.

Irigoyen is looked upon as a per-

sonally honest man, but he is a bad administrator. His ideas as to the nature of a great and vital modern nation are confused. He wants to intervene in every motion of the administrative machinery; he does not allow the most trivial appointment to be made without his sanction; and although he is a hard-working man, and does not spare himself even on holidays, pyramids of documents are always awaiting his signature at the secretariat. For a modern State, administrative paralysis is one of the worst plagues. It produces lassitude in business and opens the road to favoritism and corruption. And the national deficit lives and fattens on the abominable system of unauthorized expenditures, like the Minotaur in the labyrinth of the budget.

Señor Irigoyen hates and despises his political opponents; but he does not esteem those who work with him. He takes pleasure in belittling those that are near him, even his Ministers. Those that succeed in safeguarding their dignity and holding to their posts are the ones he afterward respects the most and to whose advice he pays closest attention.

His instinct for the management of foreign relations is marvelous. During the war many thought that Argentina was going to play a choral part, sometimes in the band, sometimes on the stage. But Irigoyen disillusioned them. He did not wish to be either pro-Ally or pro-German: he was simply Argentinian. He had to resist terrible internal and external pressure, even from within his own party, but he succeeded in keeping the country away from the conflagration, in a state of neutrality that was loyal to all the belligerents. Thus Argentina internationally has gained pres-

tige under Irigoyen. But he is of an arbitrary disposition and does not know how to deal in a seemly manner with his own diplomats. He does not wish to recognize the prestige attaching to an Ambassador representing his country. Upon taking office for the second time, he showed his slight sympathy with the diplomatic corps by ordering that no official announcement of his inauguration be transmitted to them. And to emphasize this unjust and puerile attitude, he began to manage foreign relations by dealing directly with foreign representatives in Buenos Aires. Such unnecessary humiliations jeopardize the dignity of a nation, and the representatives of that nation are compelled to perform miracles to avoid becoming ridiculous.

IRIGOYEN'S PERSONALITY

One of the mysteries surrounding President Irigoyen is his age. How old is he? No one knows. Once, an Opposition paper published his birth certificate, but the number of years indicated by that document was incredible. No one can believe, upon seeing Irigoyen, that he is 80 years old. Possibly he is not so old, and the statement irritates his followers. But if he is not 80, he cannot be much less. What is important is that neither physically nor mentally does he seem decrepit. He is a healthy, quiet man, vigorous in constitution, tall, dark, with black hair, without mustache or beard. His eyes are shrewd but evasive. He is an *estanciero* and retains the habits of a farmer. Like a gaucho, he needs nothing beyond broiled meat and maté for his sustenance. He is kindly in his manner, especially when he is among the people. He is quite capable of keeping one of his Ambassadors waiting in his

antechamber for a whole month for a conference, while dozens of poor men and women are admitted to the President's sanctum in quest of minor jobs.

I have already said that the popularity of President Irigoyen has not been equaled in Argentina's political history. His partisans call this the plebiscite, and attribute to it all the constitutional virtues. A man with such a backing can surely interpret the Constitution as he pleases.

When Irigoyen made his appearance on the political scene, the Socialists had a majority in the capital of the republic, a strong minority in the National Congress, and were making gains all over the country. Their chief, Dr. Justo, was an intelligent man, a very able parliamentarian, a fearful wielder

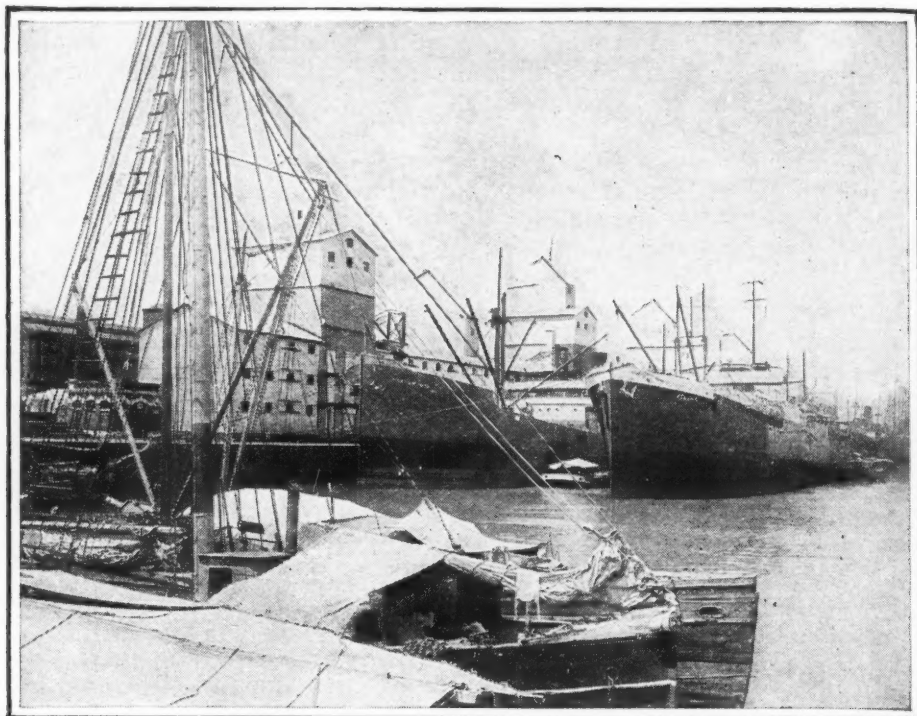
of irony. In Congress he had gained a great reputation as a financier, but he was doing enormous injury to the country, for his financial knowledge was something like Swiss cheese—each pound of cheese contains half a pound of holes. In a country without capital and without industries, such as Argentina was, it was senseless to persecute capitalists and industrialists, under the simple guidance of a few foreign books and without any purpose beyond that of obtaining the votes of the wage earners. The working class, quite naturally, leaned toward socialism.

Irigoyen followed the example of the biblical Hebrew who disarmed the Egyptian and fought him with his own weapon. He commandeered the best propaganda arguments of the Socialists, and defeated their party on their own ground. He reduced socialism to a minority party, permanently divided against itself. The Radical party was recognized as the true adversary of socialism, which, in Argentina, has been leaning more and more in the direction of Soviet communism. In Argentina the word "radical" does not have the same political meaning that it has in other countries, and, therefore, the Radical party has attracted not only the mass of the people but a large section of the wealthy classes and of conservative opinion.

Though Irigoyen has defeated socialism with its own weapons, these weapons are double-edged, and the Radical victory throws a great question mark upon the future: Who will inherit Irigoyen's position? In the race to please the people in order to gain their votes, will his successors be capable of keeping radicalism within the limits proper to a sound governing party?



PRESIDENT HIPOLITO IRIGOYEN



Publishers' Photo Service

THE DOCKS OF BUENOS AIRES
Ships of many nations line the wharves

Will they withstand the temptation, or the necessity, of making Argentina a land of experiments, like Russia?

UNITED STATES INFLUENCE

What will be Irigoyen's attitude toward the United States? No country is so intensely susceptible to the spiritual influence of the United States as Argentina. No prejudices created by the past stand in the way, and, on the other hand, the vision of her own future, along the paths that have made the United States great, is constantly before her. Buenos Aires is an enormous modern city of 2,000,000 inhabitants, whose spirit is not that of London, or of Paris, or of Madrid, but of New York. The genius of North America is better understood

in Buenos Aires than in any other part of the world.

Europeans accept the financial superiority of the United States, but with intellectual sophistries deny its artistic capacity. Argentina is a country devoid of envy. She is disposed to admire because she is young. She not only admires the material splendor of her great northern sister but is proud to recognize that in artistic matters the Americans are imitating no one, but seeking an expression corresponding to the new types of beauty created by modern industry. They seek and they find. Thus they have found the esthetic lines of the automobile and the sober and powerful formula of the skyscraper, which Europeans belittle but commence to understand. In Buenos

Aires, the very beautiful building of the First National Bank of Boston has demonstrated better than any philosophy the genius of North American architects. The Argentinians have admired its strong grace, which is very near their hearts because in every detail of that admirable structure they can discover the Spanish line which our America understands and loves.

North American influence grows in Argentina in its double aspect—the material and the spiritual. But there is another side to this coin. Many of my countrymen do not witness this progress without fear. The idea is old enough, as old as the Monroe Doctrine. They believe that behind every industrialist, every banker, every citizen of the United States that arrives at Buenos Aires, hover the army and navy of the United States. They think that the advance of North American interests in an American country may spell dangers that do not exist in other continents. A conflict with the peoples of Europe, of Asia, of Africa, or of Oceania, is not probable, because it would involve many great nations which would pool their power in a common cause. But a conflict with an American nation would not attract the action of any great power, because the Monroe Doctrine places us in a different world. This feeling has become quite general. The new tariff policy of the United States tends to make it keener and more actual, because the increase in the tariff on cereals and meats, even though it be a general measure, is believed by Argentinians to be aimed exclusively at their country.

I feel certain that President Irigoyen is a sincere admirer and

loyal friend of the United States. But in the management of foreign relations he is a true creole, in love with his country and jealous of its autonomy; and his policies will be, above everything else, Argentine policies. He is tenacious and not in the least timid. And, as he has already earned a statue in his own country, it would not be impossible that he should conceive the desire of earning a dozen other monuments in a dozen other American countries. He will not fail to use, I imagine, any occasion that may offer to show his solidarity with all the peoples of America, especially with those whose race and language make them our brothers. President Hoover's visit was very fortunate. Buenos Aires received him with great and genuine enthusiasm. He has no doubt been able to gauge his personal prestige and the prestige of his country in Argentina. And his conversations with our statesmen have, no doubt, put him in contact with Argentina's aspirations and with the problems of our enduring friendship.

It is probable that this view of Irigoyen will fail to please both his partisans and his opponents. So much the better! I have never spoken to Irigoyen. I have never been a partisan of his. During his first administration I was, for four years, a Deputy to the National Congress, and my seat was on the Opposition side of the house. I have absented myself from politics for a long time, and I live in a foreign country. I may believe, therefore, that if my judgment is not infallible, it is at least dispassionate, and I know I have written in entire good faith.

PARIS, June, 1929.

The Effect of Increasing Divorce on Family Life

[This contribution to the question of how American family life is being affected by the ever-growing number of divorces is from the pen of one of the leading authorities on this and related social problems. The author, after beginning his career as a teacher, practiced law for a number of years, and in 1915 was appointed to his present position of Judge of the Juvenile and Domestic Relations Court of Cincinnati, Ohio.]

By CHARLES W. HOFFMAN

THE increase in divorces since 1867, or a few years previous thereto, raises serious questions in many minds as to the stability of the family institution and even as to human nature itself. Are we degenerating as a people? Is the American home passing away? Is monogamy being rejected? The correct answer to all these questions is probably an unqualified negative, although the situation is serious in view of the increasing number of broken homes and as incident thereto the increasing number of problem children.

Since 1850 we have experienced in the family institution some of the effects of the social changes directly or indirectly traceable to the commercial and industrial revolutions of the nineteenth century. The pooling of economic and human resources in great industrial and commercial enterprises, the urbanization of populations, the herding of throngs of human beings into cities poorly organized to receive them, the enormously increased mobility of individuals, the lure of "streets" and "society," the obliviscence of solitude, the irritation of haste, the artificial and often perverse stimu-

lations of jaded nature, the increased power of rumor, gossip and fashion, the dependence of the family on jobs for income and the insecurity of jobs, the exhausting strain of the readjustments that every home demands, the new forms of poverty and the new vices, the daily separation of husband, wife and children from the home and from one another, the close network of personal, social and business relations in which every one is involved—the conditions are familiar, but we are only beginning to realize that they lie at the foundation of the family problem.

A divorce formerly meant a legislative act or law; now it is not unusual for a single court to dispose of fifteen or more divorce petitions at a session; and it is noteworthy that the great majority of petitions come from the classes of people most profoundly affected by the social conditions just mentioned.

The old home that provided the spiritual soil in which children grew strong, the traditional home of dignified fathers and mothers and happy children, seems to be becoming the privilege of the well-to-do. The homes of others seem to become a dormitory with a mail address and

too often a place of unhealthy indulgences.

In 1927 there were 179,397 divorce decrees granted in the United States. With few exceptions the formal records and entries do not disclose the grounds on which these decrees were granted. In the statistics on marriage and divorce in 1926 compiled by the Department of Commerce, Bureau of Census, the most frequent causes of divorce are listed as adultery, cruelty, desertion, drunkenness, neglect to provide and combinations of these. The minor causes are designated gross neglect of duty, vagrancy (mostly non-support), conviction of crime, separation, bigamy, incompatibility, fraudulent representation, misconduct, impotency, lewd and lascivious conduct, venereal disease, insanity and others.

It is solely on the basis of this report and of those that have preceded it, setting forth the increase in the divorce rate since 1867, that current opinion is formed and various instrumentalities of social control are suggested to meet the situation. The deductions thus made, however, do not always correspond to reality; for example, the idea that the American family as an institution is deteriorating and disintegrating. While it may be that the institution is changing in form, there are at present no verified facts to show that it will eventually cease to function as the basic unit of society and as the most effective agency for converting the raw material of childhood and youth into the finished product of citizenship.

THE FAMILY IN HISTORY

Modern critics and reformers, exploring the increase in the divorce rate, reiterate with slight change in phraseology the declarations of past

ages predicting the passing of monogamy and the extinction of the family, despite the fact that the family has functioned from the very beginning of recorded history in the same general form as the family of today, having been, in fact, the greatest of all factors in the progress of civilization. As society evolved in complexity it became necessary to prescribe rules and regulations in harmony with custom and tradition to prevent interference and reconcile conflicts in the marriage relationship, but these rules and regulations in no way changed or could change the essential nature of marriage upon which the family is necessarily founded.

"Marriage," says Lichtenberg, "does not depend upon external authority either for its institution or its perpetuation. It rests upon the inherent nature of society and the individuals who comprise it." He further asserts that "if it rested on the uncertain exigencies of external authority and not on the inherent necessities of human nature, then it might be in imminent danger of passing away with the power that created it. If, therefore, the family in its present form seems in danger, it is reassuring to know that it rests on no such insecure foundation; that in the form best suited to the needs of humanity it has existed at all times and everywhere."

At about the same time as the divorce rate began to increase, many States by statute discarded the notion that on marriage the legal identity of the wife was lost and her existence merged into that of her husband. Since 1839 the removal of disabilities of the wife incident to marriage has been steadily advancing. She has now the status of a feme sole in respect to both property

rights and the power to contract, subject, of course, to the limitations applicable to direct contracts between husband and wife.

Changes in the law, however, have not been effected by act of Legislatures only; they are no less frequent in the decisions of judges involving domestic relations. So great has been the pressure of social and moral opinion on legal formulas and legal procedures that today the definitions of many of the causes of divorce, such, for instance, as "gross neglect of duty" and "extreme cruelty," have been widened and so modified that precedents are seldom followed as a matter of law. Judges have for years been making laws to meet the present situation rather than following the law that was apparently applicable before social conditions changed.

HUSBAND'S RIGHTS

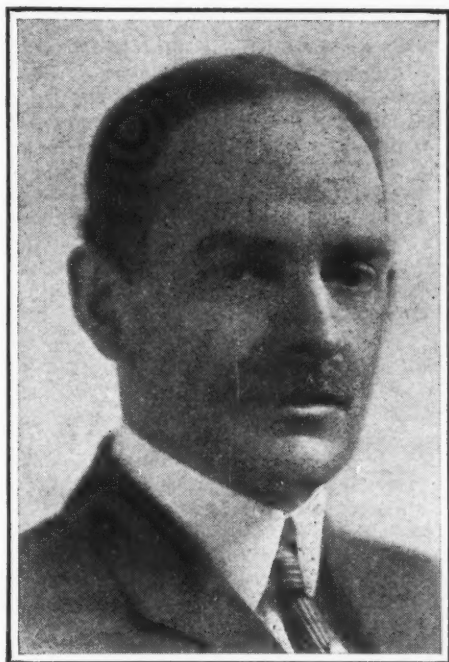
Judge Cardoza, seeking "illustrations of the movement of judge-made laws in accord with changing mores," finds that "the law of domestic relations supplies the readiest example. The husband at common law might restrain his wife by force if there was danger of her leaving him. There has been formal adjudication, if, adjudication was needed to enlighten him, that the right is gone today. Gone is it with the yet more ancient right of which it was a phase—the right to maintain the marital authority by moderate castigation. The mores in their growth have imposed the restraint of law upon these grosser acts of tyranny and from these have moved to others subtler and more elusive. Cruelty was once identified with physical abuse. Insult and derision, mental torture as well as physical, have come within its range." For society at large, as

well as for the family, the changing mores have brought changing law. The judge adds that "the social forces contributing to the change did not write their message down into set paragraphs for statutes. They left it in the air, where the pressure was more effective because felt by all alike. At last the message became law."

It is obvious to judges who preside in divorce courts that the bar will not tolerate as a matter of law interpretations of the divorce code that obtained, let us say, as late as the year 1900 or even later. A stock phrase of the lawyers in court is "This man and woman will not and cannot live together." Is it not evident that if courts concur in the doctrine implicit in this phrase the legal formulas and the interpretations incident to the administration of the positive law will be so modified as to attain the desired end?

This is what really happens in the hearing of cases of family dissension and disruption. Comparatively few cases for divorce are dismissed. Even in the very few jurisdictions having divorce court proctors and special investigators it does not appear that the divorce rate or the number of broken homes has appreciably decreased. Social workers, who frequently find the causes of family disorganization in factors unknown even to lawyers and judges, do not view the mere dissolution of the legal bond of marriage as in every case a calamity. The fact is that in many cases the breaking of a family is a constructive process.

Despite the element of fraud present in 75 per cent of divorce cases and other cases involving domestic relations, divorce decrees are granted on the ground that it is good for society that there be a ces-



JUDGE CHARLES W. HOFFMAN

sation of domestic turmoil and strife. "The parties will never be reconciled. They will continue to argue and fight. No good purpose will be subserved by refusing a decree." Such is the reasoning of the judge.

The changes in legal formulas no less than the increased number of divorces spring from demands growing out of profoundly altered social conditions. This ought to convince the legalist, the social scientist and the social reformer that "individual predilections must yield to a social pressure so resistless." It ought to be accepted, too, as conclusive evidence that we cannot by admonition or by either liberal or restrictive legislation block social movements in matters so closely related to human happiness as marriage and divorce. Analysis of the Federal reports shows that in many States neither increasing nor diminishing

the number of causes for divorce has any effect on the rate, but it may be that the rate would increase in the State of New York if causes other than adultery were recognized.

INCREASING DIVORCE RATE

The granting of nearly 180,000 decrees in one year and the probability that the rate will increase in the near future present a social phenomenon that in the interest of other social values must be controlled. There must be effected—what has thus far not even been attempted—an evaluation of the divorce movement, based on a sound social philosophy. No one knows whether in fact the increase in divorces makes for good or evil; only by assuming that divorce in itself is evil can any one today be sure of the answer. Only an objective inquiry along scientific lines into the causes and conditions that impel men and women to seek the divorce court will bring the problem of the broken home, divorce and desertion out of the realm of speculation into the realm of real experience. Few theories as to the "causes" of broken homes, advanced as such theories usually are by those who have some special proposition to support, have any basis in fact.

In some jurisdictions courts have modified the rules of evidence in the hearings of cases involving the family. In many larger cities and in a few smaller ones the courts consider the reports of social agencies that have had some contact with the parties, while in other courts investigations of family conditions made by probation officers or other social workers directly connected with the court are presented. This practice, however, does not prevail generally. Cases of divorce, non-support and desertion are

usually heard on the lines of the old procedure and the old canons of evidence that prevent the courts being advised of conditions, a knowledge of which is necessary in the disposition of children, their maintenance and support, the adjustment of property rights and other essential matters incident to the granting of a decree.

The allegations contained in divorce petitions or complaints reveal nothing more than symptomatic causes. The court finds that there have been extreme cruelty, gross neglect, a wilful absence and so forth, but these are merely the symptoms of the real causes. There is something unusual in every divorce case. It may be urged that the increase in the divorce rate is caused by economic freedom. It is highly probable that these factors have impelled an increasing number of both sexes to petition for dissolution of marital ties; but the question still remains, "What are the intolerable conditions from which they pray for relief?" And "What is the nature of the personalities, the mental and physical make-up of the plaintiff and the defendant?" If these questions are not definitely answered it is impossible for the courts to render judgments that have more than remote relevancy to the real situation.

PROBLEM OF THE CHILDREN

Another aspect of the family problem demands attention, namely, the children. Before 1899 the criminal law in operation jeopardized the childhood of the country. Multitudes of children subjected to the harsh, unyielding rigors of criminal procedure were sent to penal institutions. At last it became evident not only that this procedure involved an unnecessary sacrifice of human mate-

rial, but also that society itself could not stand the strain. It was at this point that Illinois, by the enactment of a Juvenile Court Code, definitely entered the field of social work. Following the lead of that State, every other in the Union, with one exception, enacted laws providing for the organization of juvenile courts. From the viewpoint of criminal jurisprudence these Juvenile Court Codes were revolutionary, but the social demand for better methods of handling delinquency and dependency became so insistent that criminal procedure in the cases of children under ages stipulated by statute was abolished and a mandatory injunction was placed on juvenile courts to save all actually and potentially delinquent children from entering upon criminal careers.

These courts soon lost most of the functions of judicial tribunals and became administrative institutions. Informal procedure and investigations by probation officers and social workers very early in the history of the courts disclosed the fact that delinquent children must be considered individually and not collectively, that a behavior problem child must be studied as a whole and that no reliable diagrams can be made or effective treatment prescribed in the absence of complete and accurate information as to the child's home setting. This doctrine was finally set forth in Dr. William Healy's epoch-making book, *The Individual Delinquent*.

As a result of studies of the child in the home and family made by juvenile courts and child-caring agencies it was discovered that juvenile delinquency and dependency, desertion, non-support, pauperism, alcoholism, marital dissension, and so forth, are interrelated. It was found that in each case these be-

havior problems were traceable to some defect in the particular family concerned, defects so obscure in many cases that the current legal methods and procedures failed to reveal them. Adopting the phraseology of Miss Julia Lathrop, shortly after "these truths had been made public" the judges of courts having jurisdiction in adult cases involving domestic relations conceived that in these cases, too, an "individual element" was present and that justice could not be rendered without considering the family as a whole and in all its relations.

On this conception courts of domestic relations, so-called, were organized in some cities, with special investigators and with facilities more or less adequate for determining the mental and physical status of the parties. However, the organization of these courts has not been general throughout the country. Their number is negligible and the old procedure is still followed in most jurisdictions. Owing to the divided jurisdiction characteristic of many of the so-called courts of domestic relations, their work shows but little improvement upon the procedure of the ordinary court.

It is a common complaint that the court of domestic relations and the juvenile court work at cross-purposes. Within the same jurisdiction one court may have a case of divorce involving children; the juvenile court may at the same time have these same children, while still another may have recently had the same parties in a case of failure to provide or desertion. In some jurisdictions it is possible that ten courts may be dealing in one way or another with the same family. All these courts issue orders and confusion prevails. No court having jurisdiction in but one or two phases of

family trouble can function effectively, even though called a court of domestic relations.

FAMILY COURTS

With all these considerations in mind, the National Probation Association at the meeting in Pittsburgh in 1917 adopted resolutions providing for the organization of "family courts," with exclusive jurisdiction in all cases involving the family in any of its many relations. These resolutions were drafted on the presupposition that divided or separate jurisdiction within the field of family relationships not only results in duplication of functions but prevents consideration of the child or the adult in the family as a whole. The resolutions recommended that provision be made for probation officers, psychological and psychiatric laboratories with trained experts and all other necessary instrumentalities for the diagnosis and treatment of the broken or nearly broken family, for the care and supervision of children, both dependent and delinquent, and for the care and supervision of parents and all others coming within the purview of the court.

It has been demonstrated that, in the absence of information in respect to causes of anti-social conduct incident to abnormal family life, the services of divorce court proctors and similar officers in the disposition of a case are of negligible value. A proctor, as well as a social investigator attached to the court, can expose some of the fraud and perjury that is usually present, but beyond this, for want of knowledge of the real situation, he makes no contribution to legal and scientific theory as applied to domestic problems. No definition of the social objective to be attained by the appointment of such an officer has been stated by

any one and in the absence of a sound social philosophy the office may tend to defeat justice.

It is the purpose of the proponents of family courts, not only to afford relief to multitudes of distressed men, women and children, but also to obtain the data that will place the answers to the following questions on a basis of fact: Why do husbands and wives seek divorce? Why do they feel justified in perpetrating fraud or committing perjury in their effort to obtain marital freedom? What is the effect of marital dissension and strife on the welfare of children? Is the increasing divorce rate a sign of increasing degeneracy in our social life? If so, what are the legal, scientific and social instrumentalities best adapted to control and cure this degeneracy?

PROBATION ASSOCIATION'S AIMS

At Providence, R. I., in 1918, the National Probation Association reaffirmed the resolutions of 1917 and urged an active campaign of education for the establishment of family courts. Within the past ten years this association in conjunction with others of similar purpose has succeeded in effecting the organization of such courts in many States prac-

tically along the lines marked out in the resolutions of 1917.

It is conceded by social scientists that in the realm of domestic relations lies the greatest field for scientific, sociological and psychological research. It will only be through the medium of courts organized on a plan similar to that of the family court and administered under the control of sound scientific doctrine that sufficient and exhaustive accurate information will finally be acquired to make possible a sane revision of our marriage and divorce codes and bring them into effective and constructive harmony with existing social conditions.

That the law of marriage and divorce must finally be modified to meet the needs of the family in this age of changing social conditions is no doubt inevitable; but the safest course, the only really safe course, is that of first obtaining reliable data upon which such changes, if they are to make for good rather than evil, must be based. At the present time there appears to be no way of harmonizing the conflicting interests of the family, society and the State other than through the medium of scientifically organized family courts.

The Public Penalized by Medical Disorganization

[Some of the principal reasons for the growing agitation in favor of State medicine or at least of making the medical profession serve the purpose of a social service are set forth in the following article, which has been endorsed by bodies investigating the subject. Apart from being a chemist whose researches have brought him into close contact with certain aspects of medical practice, the writer has made an intensive study of the organization of medical facilities from the standpoint of the public.]

By T. SWANN HARDING

A PUBLIC health survey covering the United States in 1928 disclosed that of 1,281 State, county and city health officers only twenty-nine had a degree in public health. It also demonstrated that the position of State, county or city health officer was often a political plum of uncertain tenure; seldom was it under civil service control; usually appointments were made for but one or two years, and the best men could not therefore be induced to enter this fundamentally important profession. Whereas the country really needs 570 thoroughly trained doctors of public health annually, its universities produced only 104 such doctors in 1926. Less than 20 per cent of the cities surveyed rigidly regulated appointments via civil service, while one-quarter of them made appointments for two years only or promised "indefinite" tenure of office.

When we consider the fact that public health represents preventive medicine and that preventive medicine is the only possible solution for the problem of making medical

practice scientific, it becomes very apparent that this is an amazingly disgraceful exhibition. Thus, in 1919, Spokane, Wash., was the only large city in this country free from typhoid mortality; in 1927 Canton, Ohio; Kansas City, New Haven, Paterson, N. J.; Richmond, Springfield, Ill., and Yonkers, N. Y., were so listed, while seven of our largest cities presented very low typhoid death rates. Had the 1910 typhoid mortality been maintained in 1927 we should have had 6,400 deaths from this disease instead of an actual 638. Typhoid is a preventable disease that may be said to be obsolescent; immunization is practical and can protect regardless of sanitary conditions, which, however, should not be neglected. Why? Because preventive medicine is making typhoid vanish. As early as 1911 Moore presented in his book, *The Dawn of the Health Age*, both the backward condition of medicine and the ideals toward which it must aim to become efficient and scientific. Yet medical practice remains basically disorganized in America today.

In the first place medical practice is disorganized because of the manifest inadequacy of public health organizations. For instance, in 1923 there was available for the activities of city, rural, State and Federal public health agencies exactly \$66,290,768, whereas the American people spent approximately \$700,000,000 for drugs alone, many of them useless, during the same year. The same relative disparity in figures exists today. In 1925 only about 40 per cent of our cities with over 10,000 in population had whole-time health officers. Although the Federal Government appropriates about \$100,000,000 annually for the construction of rural post roads, it makes available annually less than \$100,000 for the development of rural health work. If it gave the States half the money annually which it actually does give them for the support of the National Guard, this, plus an equal amount from the States, would put a whole-time health officer at \$4,500, a public nurse at \$2,500 and an expense account of \$3,000 at the disposal of every one of the 2,850 rural counties in the United States. In 1923 the various States spent over \$100,000,000 for the care of the sick, disabled, blind, deaf mute and crazy, and less than \$13,000,000 for the "conservation of health and sanitation." In 1922 the Legislature of Iowa raised the appropriation for bovine tuberculosis eradication from \$100,000 to \$250,000 annually, and at the same time rejected an increase of the allotment for the investigation of human tuberculosis from \$5,000 to \$10,000 per year.

One-half of 1 per cent of the United States Budget Bureau's total estimated expenditures for the fiscal year 1926-27, or \$17,500,000 only, went to the promotion of public

health by all agencies of the government combined. This terrifically retards the progress of medical research at a time when cancer, infantile paralysis, pneumonia and even influenza remain completely baffling. When you consider that preventive medicine through public agencies can alone effectually conquer disease it is self-evident that the facts just listed attest frightful lack of medical organization.

NEGLECT OF PREVENTIVE MEDICINE

Today public health experts constantly complain that the orthodox medical practitioner is not interested in preventive medicine. He is not—either individually or collectively; would you expect him to be interested in something that appears to menace his livelihood? Actually he does not even do his manifest duty by recognizing tuberculosis, cancer, organic heart disease and kidney lesions as he easily could; the former two diseases cause 200,000 deaths annually and the latter two constitute one-third of all deaths. About "nervousness" and incipient mental disease authorities agree that the average practitioner knows less than a well-informed social worker. Syphilis and gonorrhea, which might easily be banished by educational prophylaxis carried on by the family physician, remain rampant. As a matter of actual fact practitioners do not usually vaccinate the families under their care for smallpox till urged to do so by health departments, and in every epidemic due to the practitioner's carelessness the health department has to come forward and assist him. Aided by the Shick test and antitoxin the practitioner might rapidly prevent diphtheria altogether; yet the New York State Department of Health reported in September, 1924, that

of its thirty-four diphtheria deaths the physician was "wholly" or "probably" responsible in six instances and "wholly," "probably" or "partly" responsible in twenty-three others.

Yet it would be just as easy for the practitioner to banish these diseases as it has been for him actually to eradicate gonorrheal ophthalmia, a type of blindness, in certain enlightened States such as Wisconsin and Massachusetts. As Dr. George E. Vincent has written, medicine will only be properly organized when "a case of illness would be not a physician's opportunity but a reflection upon his vigilance." Certainly physicians cannot be interested in preventive medicine any more than prohibition "stool-pigeons" can be interested in law enforcement while they get a fat fee for every drink bargain they make. Yet experts in the Department of Agriculture are interested in preventive medicine among plants and animals and manage to eradicate disease after disease.

Unnecessary disease, diseases we know very well how to eradicate, still exist to portray the disorganization of medicine. Fifty to 98 per cent of our people have decayed teeth which could be fixed; 30 per cent have adenoids or diseased tonsils; 25 per cent have uncorrected defects of vision; there are 3,000,000 partially or wholly deaf children among us and 350,000 crippled with rickets, bone tuberculosis and infantile paralysis. About 2,000,000 people are sick at all times with diseases that are very largely preventable. We had 50,000 cases of smallpox in 1924; we have about 100,000 drug addicts, 320,000 lunatics. About 625,000 people are normally in our hospitals; we have 700,000 cases of malaria and tuberculosis annually, and we

possess about a round million diabetics. Just consider one thing, the 1921 report of the Rockefeller Foundation. In it is a chart indicating the reduction of the number of calls made by physicians upon malaria patients in two Texas towns owing to malaria control measures. In 1919 the calls ran from a low of 109 to a peak of 1,802; then control measures began. In 1920 the low was 46 and the peak 276; in 1921 the respective figures were 22 and 78. No wonder the doctors shy at preventive medicine! Yet is it not a wrong-headed and disorganized medical profession that actually, through its official journals, encourages them to oppose any form of State medicine as "bolshevism" and presents specious arguments for a continuation of the present chaos?

INADEQUATE SUPPLY OF PHYSICIANS

We have virtually 1,000,000 persons engaged in one capacity or another in the treatment of disease, and many million dollars invested in hospitals alone. Yet the supply of physicians is inadequate; the equipment is inadequate and the distribution of both is at present lopsided and unscientific. True enough, we have one physician to every 772 persons (1925), against 1 to 2,824 in France; 1 to 1,401 in Great Britain and 1 to 2,020 in Austria, but that is not enough. It is estimated by W. S. Rankin, former Secretary of the North Carolina State Board of Health, that from 25 to 35 per cent of the births in this country occur without the attendance of a physician! Does that look like adequacy? As we saw above, our present supply of physicians seems inadequate to control preventable disease; in mental diseases they have been shamefully negligent. Again, in the decade 1895-1905 we had 160 medical col-

leges, graduating 4,500 to 5,500 physicians annually; in 1925 we had 80 colleges, graduating 3,974 students. It is fair to assume that our population had increased rapidly! In short, medical colleges are not replacing our physicians as rapidly as they die out.

Then there is a universal tendency of physicians to abandon rural practice and leave the countryside to its fate, a thing organized medicine would never do. Recent graduates do not go to the country; the men remaining are senile and antiquated in most instances, and some rural districts altogether lack medical care. In Vermont 102 towns lacked physicians in 1923; in one county in rural Virginia the proportion of physicians to population was 1 to 3,370; in New Mexico there is 1 to 2,000; one county in Montana offered a bonus of \$100 monthly through the county commissioners to a physician who would decide to settle there, and from Mississippi death reports frequently come with the notation: "No attending physician." No organized profession would tolerate such inadequacies.

Our hospital facilities are just as inadequate as is our supply of physicians. Authorities tell us there should be a hospital bed to every 200 persons; we had in 1925 1 to every 261 persons; others say only 1 to every 150 would be adequate. Yet, while there was 1 bed in 1920 to 175 persons in New York State and the District of Columbia, there was in Mississippi 1 to 1,054; in Oklahoma 1 to 980 and in Georgia 1 to 897, again evidence of faulty distribution. In rural districts the dearth is tremendous; 45 per cent of our rural counties in 1925 had no hospital for local or community use. The same shortage holds for convalescent institutions. Dr. John Bryant, in the

Boston Medical and Surgical Journal, said this was the great remaining gap in the health cycle; we have found a few others, of course, but it is important that, whereas we should have 1 convalescent bed for every 10 acute beds, or 57,000 beds the country over, we have approximately 13,000 such beds, of which 5,700 are for Summer use only (1927).

→ INACCESSIBLE DOCTORS

The medical practitioners we have are inaccessible. They cannot advertise. That is not ethical! The American Medical Association will not list them in accordance with their competency; it lists them in accordance with whether they pay their dues or not! Every one of them who can pay his dues gets listed. Dr. Grady tells in the *Chicago News* "How to Choose a Doctor," and the New York State Department of Health radio broadcasts "What Doctor Shall We Call?" But you find out how you may distinguish an honest from a dishonest doctor only after you have found him. You are not told how to find him, though you are advised to "avoid the sensational doctor" and not to "be impressed by the elaborateness of offices." Many people who go to clinics remark that they did not know how to find a good physician; public health nurses are stopped in the street to make recommendations, and the corner druggist refers you to the doctor who sends him the most prescriptions. Meanwhile, quacks and cultists hang out electric signs and grow rich. Why must a man keep the fact that he is a good physician a closely guarded secret in order to be "ethical" in the eyes of his association, whose journal advertises patented articles of all sorts?

The cost of medical service is beyond the pocketbooks of most peo-

ple. There is no need to labor this point. In one of a series of articles on a carefully conducted factual survey of a group of married couples, printed in *Harper's* in September, 1928, the writers, G. V. Hamilton, a doctor of medicine, and Kenneth MacGowan, had this to say: "If somebody has to be blamed for the failure of these men and women to save a reasonable amount of money, the examiner believes that the fault must be laid at the door of his own profession. It is the doctor's fault. They levy an enormously large tax on married couples. After the formal study was over the examiner extended it informally, and in the course of his inquiries he found these men and women constantly referring to the fact that they had been kept in debt by doctors' bills. Where the average income of these couples was less than \$5,000 a year, the doctors who treated them undoubtedly earned far more without having any greater ability or longer apprenticeship than most of these laymen. The doctor who earns \$25,000 a year may be no better equipped and no more able than the \$5,000 college professors, or the engineers, artists, teachers and writers among the hundred men of his investigation." If doctors' bills have so profound an adverse effect upon matrimonial finances as that, it is enough to make us stop and think. Such a condition is further evidence of disorder, and certainly does not indicate efficient organization.

In their most altruistic acts physicians themselves attest the disorganization of their profession. I refer to their charity practice. In 1917 the Illinois Health Insurance Commission estimated that 12.25 per cent of the service of physicians was free service and 87.75 per cent paid. This means that not only does the

doctor have unethically to mulct the rich patient in order to treat the poor free, but he actually has to give away part of his work. In fact, some eighty-five physicians making the above report gave away over 35 per cent of their service; and 1,500 of them (out of 2,012) gave away an average of 7 per cent of their service. Imagine the disorganization such a situation indicates. Almost 8,000,000 persons had to be treated in free clinics in the United States in 1922, and the physicians of Denver estimated in 1925 that they gave away \$1,000,000 worth of service annually.

This is noble charity, but it is scientifically unsound and unethical. It is a type of charity not to be countenanced by a free people well organized socially. What is the reason? There are certain basic things all people have to have—a minimum of water, food, clothing, shelter and medical attention. In so far as a State is organized to see that every individual gets this minimum as a matter of course, it is cultured and civilized, for civilization is simply organization; in so far as it is not thus organized, it is less cultured and civilized than primitive tribes in present-day Africa, where a man will not even eat a mess of pottage until he has sung out an invitation to those who are hungry and within reach of his voice to come and partake.

WHY QUACKERY FLOURISHES

The inaccessibility of the doctor, his high fees and his disorganized profession lead directly to the prosperity of the cults, so much deplored by medical journals all over the land. Yet orthodox medicine itself perpetuates and promotes these cults by its own criminal negligence. It may seem that there are few cultists

numerically compared with physicians, and that is so. But a chiropractor usually sees far more persons per day than a regular doctor; they have wide clienteles, as Dr. Waddington of Detroit discovered (*Journal of the American Medical Association*, 1926). "I know of a chiro near here," he says, "who treats 125 patients a day; he left preaching to become a chiro. I met an osteo recently who averages twenty-five and thirty patients a day." Dr. Waddington believes that the cults have more adherents than the regular medical profession, and he is probably right. A former Health Commissioner of New York City located fifty-nine different methods of medical practice in New York City alone, including such monstrosities as "biody-namo-chromatic therapy," "electronap-therapy," "naturology," "spendylo-therapy" and "zodiac-therapy." Dr. Beardsley of Philadelphia reported questioning his patients for four years on the subject and he found that about 40 per cent of them had recently been to one or another sort of cultist, while in a free dispensary the percentage ran to 26.

The surest way for the medical profession to encourage the growth and importance of these shameful, unscientific and incredibly ridiculous cults is for them to continue their present policy of resisting the organization of medicine under more or less direct State control; for the prosperity of cultism lies directly on the front doorstep of orthodox, regular medicine.

Finally, thousands of people do

not even go to a cultist. They treat themselves. In 1923 we paid \$6.33 per capita for drugs of all sorts and 59 cents per capita for public health work. Of the total amount of drugs made in the United States in 1923 over 50 per cent was sold directly to the public as patent or proprietary medicine; only 15 per cent went to the public via ethical prescriptions, and 30 per cent was tablets, pills, powders and miscellaneous products, including medicines for self-treatment and those sold through prescription; the residue consisted of biological remedies. We spent about \$200,000,000 in 1923 for patent and proprietary medicines and \$300,000,000 for druggists' preparations purchased only in part at the behest of a physician. Whereas there are perhaps seventy drugs that have a definite therapeutic use, our remedies are concocted and sold in thousands. Finally, we have druggists in hundreds doing illegitimate "counter prescribing," simply because the practice of medicine is so unsoundly organized that it encourages such things.

This all too brief survey of the larger problem of the collective disorganization of medical practice in America is clear evidence of a condition that is astounding, and it is disgraceful. It shows that the physicians we have are like children chasing and killing individual mosquitos in a malarial district, when a spray applied to a few lakes would banish malaria. Most of the illness they treat today is preventable; yet they are incompetent, inadequate and unequal even to that job.

The Growth of Our National Park System

By WILLIAM ATHERTON DU PUY

WITH the addition of the Great Teton National Park in Wyoming the National Park Service of the Department of the Interior, now approaching its thirteenth birthday, has already under its care twenty-one national parks and thirty-two national monuments, variously distributed in regions where wilderness conditions are preserved or where Nature exhibits her strangest and most spectacular moods or where the attraction arises from scientific or historical interest. No other nation in the world has such a collection of parks.

The idea out of which the National Park Service has grown originated in the wonders of the region now known as Yellowstone National Park. In 1806 Lewis and Clark, in their expedition to the Pacific, missed discovering those strange thermal phenomena by but fifty miles. John Colter, a hunter who had accompanied the expedition, returned a year later to the region, hunted fur-bearing animals, and was the first white man to see Old Faithful in eruption and those seething mud masses spitting their vari-colored pellets. When he returned to civilization his tales were received with derision, and the region came to be alluded to as "Colter's Hell." For half a century Colter's descriptions were so often repeated and

were so nearly in agreement that they appeared to be true. In 1869 a party headed by David E. Folsom was organized in Montana and covered the upper Yellowstone rather thoroughly. Folsom wrote an excellent narrative of his explorations, and in 1871 the government itself sent an expedition. It was around the campfire of another party that the idea of conserving the wonders of Yellowstone for the permanent use of the public was born. Cornelius Hodges, a Montana lawyer, is credited with originally outlining it. So fast did the idea develop that in less than two years legislation was passed creating the Yellowstone National Park.

The national park idea that was thus evolved was in many respects what it is today—the park as a public pleasure ground; preservation of its natural wonders and beauties; protection of its fish and game. Though Yellowstone is officially the oldest of the national parks, the Hot Springs Reservation in Arkansas had been established in 1832, but merely to save the springs from private exploitation, for the national park idea had not yet been formulated. That reservation later became the Hot Springs National Park. Both it and Yellowstone were under the Miscellaneous Division of the Department of the Interior.

In 1890 three new parks were

created—Yosemite, in California, with its gem valley, buttressed by huge headlands, veiled in waterfalls and surrounded by mountain wilds; Sequoia, home of the big trees; and the General Grant National Park, which is six miles from Sequoia, with an area of only four square miles, and which owes its existence to the need of protecting a single big tree, named likewise for General Grant, measuring 40 feet across and 366 feet tall, one of the most magnificent specimens of plant life in all the world. The year 1899 saw the creation of Mount Rainier National Park, in the State of Washington, hung with glaciers and studded with Alpine flowers. Then in 1902 came Crater Lake, in Oregon, cupping blue waters where volcanic lava once boiled, and in 1906 Mesa Verde, in Colorado, with the best of the prehistoric cliff dwellings.

Glacier National Park in Montana, with rugged scenery, splashing waterfalls and innumerable

glaciers whose titanic crevasses serve to demonstrate the powers of crystal ice in displaying prismatic colors, was created in 1910; Rocky Mountain National Park, in Colorado, with Long's Peak as a lookout station out over the plains toward Kansas City, in 1915; and the Grand Canyon, with its demonstration of the power of water as a tool with which Nature can carve her fantastic designs, in 1919. Other lesser parks were added one by one.

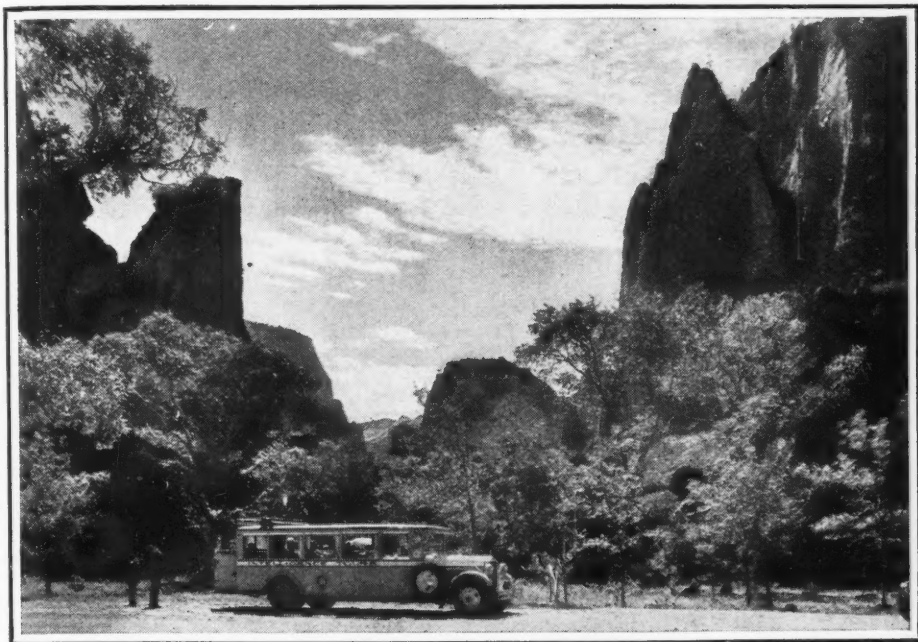
An incident that contributed much to park history occurred in 1906, when Congress passed an "act for the preservation of American antiquities." It authorized the President to create national monuments out of areas containing historic landmarks, historic or prehistoric structures, and objects of historic or scientific interest. The Department of the Interior was also to look after these, though no special agency was created to do the work. Among the thirty-two areas set



Courtesy National Park Service

COACHING DAYS IN YELLOWSTONE PARK, WYOMING

This picture was taken before automobiles were allowed in the park



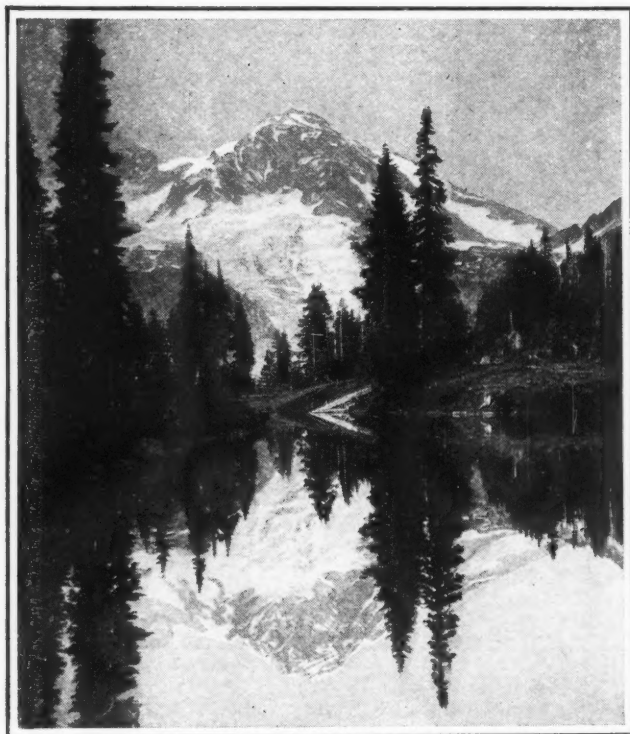
Ewing Galloway

ZION NATIONAL PARK, UTAH
Showing the new method of travel in motor buses

aside under this law are Devils Tower, in Wyoming, rising perpendicularly to a height of 1,200 feet (the first National Monument, created in 1906); Montezuma Castle, in Arizona, with musty caves that yield up the mummified remains of prehistoric peoples, and the Petrified Forest near by; Rainbow Bridge, in Utah, arching 309 feet above the water; Dinosaur Monument, in Utah, rich in the remains of prehistoric animals; Papago Saguaro National Monument, in Arizona, the permanent home of characteristic desert flora of the Southwest; Scott Bluff, in Nebraska, where the record of the pioneer trails that passed this way is preserved; Carlsbad Cave National Monument, in New Mexico, comprising the greatest known caverns in the world, single chambers which might contain the Capitol Building at Washington.

Despite the addition of new parks and monuments little was done in the first forty years of the life of the national park idea to administer them as one undertaking. Many of the parks had superintendents, who were nominally under the Department of the Interior, but the Miscellaneous Division was able to give the parks little attention. Various individuals and organizations, however, began to urge that a unified organization should have control of these areas. A series of national park conferences were held—at Yellowstone in 1911, at Yosemite in 1912, and at Berkeley, Cal., in 1915.

The first general officer in charge of parks and monuments was appointed in 1913 as an assistant to the Secretary of the Interior by Franklin K. Lane, who the following year also appointed a general superintendent and landscape engineer, to reside in San Francisco and to have



Ewing Galloway

MOUNT RAINIER NATIONAL PARK, WASHINGTON
The snow-capped Mount Rainier is noted for its glaciers

authority over all the superintendents. In 1916 Congress authorized the Secretary to appoint a general superintendent, with headquarters in Washington, and finally, on Aug. 25, 1916, the National Park Service act was signed by President Wilson.

Stephen T. Mather, who had been made an assistant to the Secretary of the Interior in charge of National Parks when that post was created, holding it for two years before the vital legislation was passed, was immediately appointed director of the National Park Service. Owing to broken health he resigned after twelve years' work, and was succeeded in January, 1929, by Horace M. Albright, who had been assistant director from the beginning and at the same time superinten-

dent of Yellowstone National Park.

The Magna Carta of the national parks was written in May, 1918, in the form of a letter from Secretary Lane to Director Mather: "The administration policy to which the new service will adhere is based on three broad principles: First, that the national parks must be maintained in absolutely unimpaired form for the use of future generations as well as those of our own time; second, that they are set apart for the use, observation, health and pleasure of the people; and, third, that the national interest must dictate all decisions affecting public or private en-

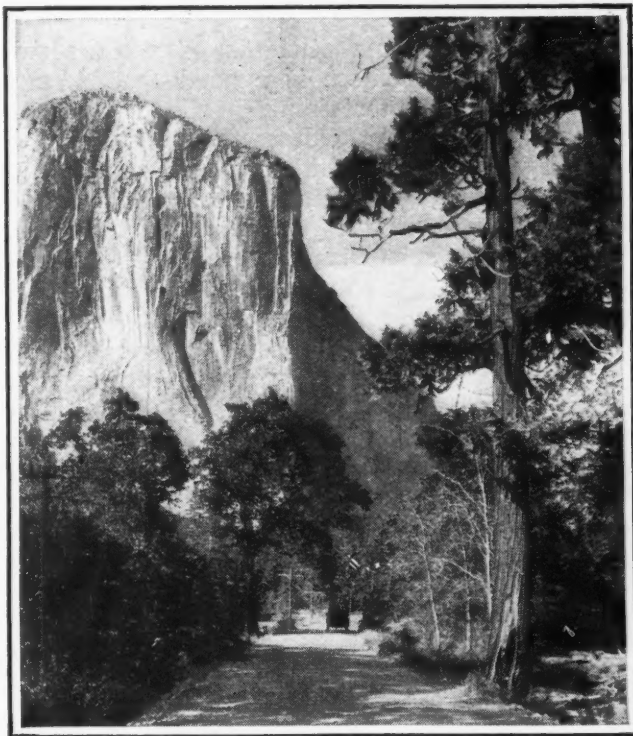
terprise in the parks. Every activity of the service is subordinate to the duties imposed upon it to faithfully preserve the parks for posterity in essentially their natural state. * * * You should not permit the leasing of park lands for Summer homes. * * * Every opportunity should be afforded the public, wherever possible, to enjoy the national parks in the manner that best satisfies the individual taste. * * * All outdoor sports which may be maintained consistently with the observation of the safeguards thrown around the national parks by law will be heartily endorsed and aided wherever possible. The educational as well as the recreational use of the national parks should be encouraged in every practicable way.

* * * Low-priced camps operated by concessionaires should be maintained, as well as comfortable and even luxurious hotels wherever the volume of travel warrants the establishment of these classes of accommodations. * * * You should encourage all movements looking to outdoor living. * * * The national park system as now constituted should not be lowered in standard, dignity and prestige by the inclusion of areas which express in less than the highest terms the particular class or kind of exhibit which they represent."

There were 17 national parks when the service was created and now there are 21. There were 21 national monuments and now there are 32. The area of these parks has grown from 7,534 square miles in 1916 to 12,113 square miles at present, which is about the area of Maryland or Belgium. Appropriations for the maintenance of the National Park Service during the first three or four years of its existence were about \$1,000,000 a year; for the present year they are \$4,659,000. Much of this money is spent for development, such as road building, Congress having adopted a plan for spending \$51,000,000 on developing road systems in the national parks. The appropriations for the current year carry \$2,500,000 to be so used. The smaller part of the current appropriations are for administration.

At the same time the national parks are a source of revenue. Fees are charged automobilists upon entering them. There are various charges against concessionaires within the parks. The Government is partner in many of the concessions. The National Park Service thus yields to the Government about \$800,000 a year, which goes toward paying for the administration.

The rapid increase in the use of the national parks has been largely coincident with the development of the automobile, more people visiting them by automobile than in any other way. Fifteen years ago there were about 250,000 visitors annually; by 1918 that figure had risen to 450,000; in 1921 it passed the million mark; in 1924 the num-



Ewing Galloway

YOSEMITE VALLEY, CALIFORNIA
The mountain of rock, El Capitan, appears in the background

ber was 1,422,000; in 1928 it was over 2,500,000, and including visitors to national monuments, more than 3,000,000.

With the increase of visitors much has been done for greater comfort and pleasure. Many visitors demanded hotel accommodations such as they were accustomed to in cities, and increased concessions have been let to meet this demand. The chief difference between national park hotels and first-class hotels in cities is in their architecture. The service has insisted that they be made to fit harmoniously into their surroundings. They are mostly log-built rustic structures.

Another type of hotel known as a lodge is found in most of the parks. It usually consists of a central dining hall surrounded by dormitories and cottages, with many of its attendants drawn from students of Eastern schools. There is a good deal of amateur entertainment and a general atmosphere of democratic sociability. For automobilists there are the camping grounds, provided with running water, sewerage, shower baths, cafeterias, policing. Even tents and modest cabins can be rented. The general camp fire is likely to be lighted in the evening and the young naturalist provided by the Service will lecture on the wonders of the region.

For a number of years the development of national park areas in the East has been under consideration. Congress has approved the establishment of the Shenandoah National Park, in Virginia, and the Great Smoky National Park in

North Carolina and Tennessee. They would be parks of the first magnitude. The acceptance of these areas by the Federal Government is contingent upon their being free of cost as to the land. Such progress has been made toward acquiring the land that there is no longer any doubt that the proposed parks soon will become realities.

Another prospective Eastern development of the National Park Service was initiated a year ago when the Secretaries of the Interior and of War jointly asked Congress to transfer certain national historical parks and monuments from the Cemeterial Branch of the War Department to the National Park Service. When these two proposals have been adopted there will be a better balance of national parks between the East and the West.

In view of the many areas proposed as national parks the Service has found it necessary to establish standards for admission. A committee appointed by the Secretary of the Interior for the purpose, including Harold C. Bryant, Hermon C. Bumpus, Vernon Kellogg, John C. Merriam and Frank A. Oastler, recently studied and reported on certain phases of the Service. In defining the conditions for the creation of national parks, they said: "National parks must be clearly of importance to the nation as a whole. Their support and maintenance from Federal funds can be justified only on that basis. Where the special characteristics are of less than national significance parks should be supported by local interests."

Radiation as a Cause of Evolution

By WATSON DAVIS

MANAGING EDITOR, SCIENCE SERVICE, WASHINGTON

MAN'S age-long curiosity as to whence he came and whither he is going has always intensified the interest in the history and future of the earth and all its living matter. The idea of evolution, first comprehensively enunciated by Darwin, has great imaginative, philosophic and scientific appeal. Biologists of the same generation as Darwin concerned themselves largely with the fact that evolution is responsible for the rise—or hereditarily speaking, the descent—of living forms. Biologists of this generation have been delving into the germ-plasms and discovering the mechanism of heredity and evolution.

First the facts of evolution, then the mechanism. And now, what of the cause? The ultimate answer is entwined with the riddle of the universe. Yet it does seem as if we were approaching some of the preliminary answers to this great question. Radiation from the earth itself may be the exciting cause of evolutionary changes in animals and plants.

Invisible, short-wave radiations, similar to those given off by radium, have been shown by two University of California experimenters, Dr. E. B. Babcock and Dr. J. L. Collins, to cause mutations, which are the type of change now believed to be responsible for most evolutionary development. This is the first experimental demonstration of an actual

evolutionary driving force, emanating from the earth itself.

Not long ago the scientific world was excited over the wholesale production of mutations by shooting heavy doses of X-rays through the germ-plasm tissues of animals and plants. It was suggested then that similar changes might occur in nature, through the agency of similar radiations known to be given off by the earth. These natural rays are, of course, much feebler than the powerful units used in the laboratory, so that the number of mutations to be looked for in nature would be only a small fraction of those produced under the X-ray tube.

The method of testing that occurred to Dr. Babcock and Dr. Collins was to expose genetically similar strains of fruit flies in two different localities, one of which was known to have more earth radiation than the other. By means of sufficiently delicate instruments, they found that the rocks in Twin Peaks tunnel, San Francisco, gave off about twice as much radiation as did the soil of the University of California campus at Berkeley. Accordingly they arranged to expose their comparison cultures in these two places.

The strain of fruit flies they used was known to be liable to produce a mutation of the kind called "sex-linked lethal," that is, every once in so often a culture would arise in

which all the males died before hatching, leaving only females in the bottle. Not a very useful sort of mutation, of course, but for demonstration purposes as good as any.

After five months of industrious fly culturing, the two investigators found that in the more highly radiant tunnel locality the mutation they were watching occurred about twice as often as it did on the university campus. It turned up in only a small fraction of the cultures in either place, but the percentage was constant and consistent. They regard it as a fair demonstration of the connection between X-ray-like radiations from the earth and the occurrence of evolutionary changes.

"It seems fairly safe to conclude even now," they state, "that the natural ionizing radiation of the earth is an important factor affecting the rate at which new inherited characters appear in animals and plants. While it may not be inferred that ionizing radiation is the direct cause of mutation, yet a way is now open by which this question can be attacked experimentally. But no matter whether earth radiation actually causes mutation or whether it only affects its rate of occurrence, there can be little doubt that it has played and is playing an important rôle in the great drama of organic evolution. It is well known that there is always more or less ionizing radiation at the surface of the earth; also that there are various natural sources of radioactive materials. Radioactive mineral deposits which lie near the surface of the earth may perhaps be considered the most important sources of the ionizing radiation which presumably affects the course of evolution. Comparative biological surveys of the natural flora and

fauna in regions found to have constantly higher rates of ionizing radiation than those which obtain as a general rule on the surface of the earth may reveal valuable confirmatory evidence in support of these findings. Of broad theoretical interest, this discovery has equally important practical aspects for agriculture and perhaps even for man himself. The possibilities appear especially attractive in the case of domestic animals, which are not so easily treated experimentally with X-rays or radium as are plants for the purpose of inducing new hereditary characters."

The study of heredity is a relatively new undertaking. It was only at the start of the century that Mendel's work was rediscovered. And not long thereafter the Carnegie Institution of Washington was established and endowed with \$10,000,000. That great research organization, studying a vast range of natural phenomena, from water fleas to nebulae, is this year celebrating its twenty-fifth anniversary. One of the major fields of its endeavor has been genetics. In its laboratories at Cold Spring Harbor, N. Y., scientists have probed the secrets of why living things are alike and different, why there are underlying differences that separate elephants from bacteria and allow identical twins to be distinguished. Commemorating a quarter of a century of endeavor, a celebration and an exhibition were held, affording visitors a glimpse at a small sample of the accomplishments:

Magnified 2,000 times, the minute chromosomes of a fly were visible under a microscope. Chromosomes are the exceedingly small particles found in every plant or animal cell, and they are the mechanism by which hereditary traits are handed down from generation to generation.

New kinds of mice, molds, jimson

weed, flies, doves and fleas produced by spontaneous changes in their chromosomes were the living examples of such natural mutation shown to the visitors.

Radium emanations affecting jimson weed and X-rays applied to flies equaled the natural changes in chromosomes and produced new sorts of these living things.

Jimson weeds with freakish numbers of chromosomes were shown growing in the experimental gardens.

How fishes change color with their background was explained.

Well-fed nursing mice were shown to be twice as heavy as less-favored brothers and sisters who do not get all the milk they can drink.

Corn seedlings were shown to stay white instead of turning green if they were grown at a low temperature.

How thyroid gland speeds up the growth of man and animals was demonstrated.

Race horses, studied to throw light on human heredity, proved that the swiftest horses of today come from the swiftest ancestry.

Thoroughbred strains were proved to exist in human families, as in the Joseph Jefferson family of actors.

In various parts of the globe a few scientists are digging from time to time into the geological record of the rocks to trace more clearly the ancestry of man.

COLOR TELEVISION

The day when we shall not only see our distant friends as we talk to them over the telephone but when we shall also see the flesh tints of their faces, the red of their lips and the colors of their clothes was brought nearer with the demonstration of color television at the Bell Telephone Laboratories in New York on June 27. Color television had been achieved previously in England by another method, but the Bell demonstration of greater perfection was the first in this country. In one part of the laboratory building a girl in a fancy dress sat in front of the transmitter. Newspaper men and scientists in the auditorium looked into the receiver and saw a faithful reproduction of her dress and features in all their natural hues. An American flag was held in front of the transmitter and the red, white and blue were im-

mediately reproduced in the receiver. Flowers, fruit and other colored objects were also transmitted.

It was on April 7, 1927, that long-distance television was for the first time satisfactorily demonstrated by the Bell engineers, when Herbert Hoover, then Secretary of Commerce, sat in front of a machine in Washington and was seen and heard in New York. This was the result of the work of a group of scientists directed by Dr. Herbert E. Ives. Years ago Dr. Ives's father, Frederic E. Ives of Philadelphia, invented the first successful method of color photography. The new method of color television is essentially the result of a combination of these two achievements of father and son.

In the Ives color photography three photographs were made of the same scene. One was taken through a red glass filter and recorded the reds of the scene. Another was taken through a blue filter and recorded all the areas of this color, while a plate exposed behind one of green showed all the greens. These were made into lantern slides. In a triple magic lantern all three were projected on the same screen. Over the slide showing the reds was placed a red glass, over the one showing the greens a green glass and over the third a blue glass. Thus all three colors of the original scene were combined on the screen and a natural color reproduction was the result.

For color television a large disk with a spiral row of tiny holes near the edge revolves rapidly in front of a powerful light. A lens in front of the disk casts an image of the hole on the subject to be transmitted. The result is a series of spots of light crossing the subject. The disk

turns so fast that the spots are spread out into lines and the lines themselves combine so that the subject seems to be uniformly illuminated. Thus far the method is the same for monochrome and color television. In the former a group of photoelectric cells picked up varying lights as the spot shone on bright or dark areas of the subject. The cell converted the moments of brightness to electric impulses which were sent by wire or wireless.

Three groups of photoelectric cells are used for color television. One set is covered with red filters, the second with green and the third with blue. Suppose the object to be transmitted is a red rose with green leaves in a blue vase, all against a black background. The spot of light comes to the rose and red light is reflected in all directions. The blue filter stops it, and the blue cell is not affected. Similarly with the green filter. But the red light passes through the red filter and the cell behind it sends out an electrical impulse. It travels through vacuum tube amplifiers and over wires to the receiver, where it operates a glow lamp that shines in correspondence with the light shining on the cell. In front of the glow lamp is another red glass.

When the spot of light comes to the green leaf the cell behind the green filter is affected to the exclusion of the others. A corresponding glow lamp, behind a green glass, operates. And when the spot shines on the vase and reflects blue light, only the blue filtered cell operates and only a third glow lamp, behind a blue glass, shines. All this is made possible because of the development of a new type of photoelectric cell that is equally sensitive to all colors of the spectrum. The

older cells were sensitive only to certain particular colors and so would have been unsatisfactory for color television.

The light from three glow lamps is combined by means of mirrors to form an illuminated surface, the same color as the illuminated spot in front of the transmitter. Another scanning disk, a replica of the one at the transmitter and exactly in step with it, revolves in front of this illuminated area. In this way a person at the receiver really sees a series of colored spots, corresponding to the illuminated spots of the subject. However, the disks revolve so fast that the separate spots combine into a continuous picture and successive pictures combine into an accurate reproduction of the original, just as the successive pictures in a motion picture film combine on the screen. So far, the method of color television has been used only for wire transmission, but it could be employed equally well by radio if separate wave lengths were used for each of the colors.

An important physiologic discovery which should help the physician to tell the patient suffering from heart disease how sick he is, about how long he can live, and what he must do to live that long, has been reported by Dr. A. R. Barnes and Dr. M. B. Whitten of the Mayo Clinic and Foundation. It is now possible to tell, in a given case of infarction, or obstruction, in the heart, the site of infarction in the left ventricle and which of the main arteries of the heart is involved. Important as this discovery is, neither it nor any other can take the place of measures for the prevention of heart disease that are being so widely advocated in public lectures and in the public press.

Aerial Events of the Month

First French Transatlantic Flight—Polish and French Attempts to Cross the Ocean—Death of Wilmer Stultz

THE present open season for transatlantic flights has so far not been particularly successful. Two planes, both of which took off from Old Orchard, Me., did, however, succeed in getting across the Atlantic. Both planes failed to reach their goals—one was bound for Le Bourget, outside Paris, and the other for the Littoria landing field, outside Rome—and both landed within twenty miles of each other, near the town of Santander, on the Spanish coast. One, the French monoplane Yellow Bird, financed by M. Lotti and piloted by Jean Assolant and René Lefèvre, had a highly dramatic flight, even if the plane did not reach its real goal. After several weeks' delay because of weather and a false start, the Yellow Bird finally took off from Old Orchard on June 14, loaded apparently with the same weight it had had in all the test flights. The explanation of the additional weight which held the tail down on its final take-off came to light some time after the start when a stowaway crept out of his hiding place. The flight was a difficult one also because of severe storms which forced the Yellow Bird out of the Lindbergh course southward over Portugal and Spain. It became obvious fairly soon in the trip that the fuel would not last to Le Bourget, and the hard sand beach of Comillas, near Santander, supplying a good landing field, was a saving factor.

The pilot brought the plane to a successful landing on the Spanish coast on June 15, and on June 16 took off again for the French field. The Yellow Bird is the first French plane to make the transatlantic flight, although it was done in the face of disapproval by the French Air Ministry. The stowaway subsequently returned to America.

The other plane, a Wright-motored Bellanca, the Pathfinder, piloted by Roger Q. Williams and Captain Lewis A. Yancey, two Americans, left Old Orchard on July 8, after six weeks' waiting and two false starts. The second attempt took place the same day on which the Yellow Bird got successfully under way, and resulted in a crash which put the original plane, the Green Flash, out of commission. The Pathfinder, once under way, reached the Albericia landing field, near Santander, on July 9, being forced down, like the French plane, by lack of fuel. It was found, however, to the joy of her pilots that the Pathfinder had flown a greater distance than the Yellow Bird. The Americans took off from Santander the next morning, and were enthusiastically received in Rome on the evening of July 10.

Two dramatic failures, one ending in tragedy, took place the second week in July, when a French plane and a Polish plane took off together from Le Bourget, each racing to be the first to make a westward cross-

ing of the Atlantic. The Polish plane, the Marshal Pilsudski, piloted by Majors Idzikowski and Kubala, was the first to take off on the morning of July 13, to be followed an hour later by the French plane, the Question Mark, piloted by the noted aviator, Dieudonné Costé, and his mechanic, Maurice Bellonte. The next day the French plane was back at Le Bourget, driven back by bad storms and an unexpectedly rapid consumption of fuel. Not long after the Frenchmen had turned back word came that the Polish fliers were in difficulty, having driven into the storms and finding trouble with their motor. They radioed for information about a landing field on the Azores and finally decided to attempt a landing in spite of the difficulties presented by the mountainous coast of the islands. As the plane was landing the motors gave out, the plane fell into a barrel roll, throwing Major Kubala out, and landed in a crash and an explosion which killed Major Idzikowski. The plane was completely destroyed.

Another failure was that of the Spanish flyer, Major Ramon Franco, and his crew in their attempt to make a round-trip crossing of the Atlantic, with stops at the Azores, Newfoundland and New York. The Numancia, a tri-motored hydroplane, took off from Cartagena, Spain, on June 21, expecting to be back in not over ten days. On June 23, as the fliers had not arrived in the Azores, Spanish vessels were sent to look for them. For six days ships and aircraft of four nations scoured the ocean between Spain and the Azores until June 29, when the Numancia, with its four aviators alive and uninjured, were picked up near the Azores by the British aircraft-carrier Eagle. The fliers and the plane were imme-

diately taken on board and conveyed to a jubilant and rejoicing Spain. Major Franco stated that on the second day out storms forced the fliers to alight on the water and that before they were able to taxi to land their petrol gave out. Thus, for a week, with two days of storm, the plane drifted aimlessly around the Atlantic south of the Azores.

A third transatlantic attempt was made by three Swedish fliers in their Junkers plane, the Sverige, starting from Stockholm bound for New York along a northern route which it is hoped will eventually become a regular mail and commercial route. The fliers planned to make stops at Bergen, Reykjavik in Iceland, Ivitgut in Greenland, Quebec and finally New York. They took off from Stockholm on June 9, carrying mail for the United States, but were forced down on the south coast of Iceland. For a month all subsequent attempts to take off from Iceland on the second long leg of the journey failed, but finally on July 10 the Sverige again was under way, bound for the Greenland port.

The present season's attempted endurance flights have resulted in three failures, one disastrous crash and two broken records. The previous endurance record of some 172 hours was first broken on July 6, when two Cleveland fliers, Byron K. Newcomb and Roy L. Mitchell, landed after 174 hours and 59 seconds in the air. This record was made in the face of practically no clear weather and one night of bad storms. Nearly all the refueling contacts were made in foggy weather. Four days later the record of the Cleveland fliers was in its turn broken by two aviators flying over Culver City, who, in their biplane Angeleno had in nine days flown 16,000 miles. On July 12, after ten days

and a quarter in the air, the fliers landed, having set a new endurance record of 246 hours.

The plane Miss Minneapolis failed to make a record after 149½ hours of flying; another plane, piloted by Martin Jensen and his wife, was forced down by failure in the refueling contacts; and, while the Jensens' plane was still in the air, on June 28, a third plane, the Answer, piloted by Miss Viola Gentry, who once set a female endurance record, and by Jack Ashcraft, a stunt flier, crashed on the first day of its flight because of lack of fuel. Ashcraft was killed by the crash and Miss Gentry was critically injured.

Another record to be noted was for altitude in a seaplane. The record was made by Lieutenant Soucek on June 4 and the altitude reached was 38,560 feet. Still another record, this time for speed, was made by Captain Frank Hawks, who flew from Roosevelt Field to the Pacific Coast and back in three days. He is the first pilot to have flown both ways, and the first to have flown the east to west trip alone. He broke the speed record both ways, taking 19 hours and 10 minutes on the western flight and 17 hours and 38 minutes on the return. A solo endurance record was made by Herbert J. Fahy, whose flight lasted 36 hours and 56 minutes.

Wilmer Stultz, who a year ago piloted Miss Amelia Earhart across the Atlantic, and two passengers were killed on July 1 while stunt flying over Roosevelt Field, in disregard of the flying field rules which provide that such exhibitions should not take place below a prescribed altitude. Some days after his death, it was found by an autopsy that Stultz had been piloting his plane while in an intoxicated condition. However, at the inquest on July 1, several witnesses who had seen and talked to Stultz just before he took off stated that he showed no signs of intoxication.

Abroad another chapter of aerial history has been written by Captain Kingsford-Smith and his companions, who earlier in the year were lost for fourteen days in the wilds of Australia, by their flight from Australia to Croyden, England. The trip, ending on July 10, took something over twelve days, bettering by two days the previous record of 15 days for an Australia-to-England crossing.

In the Antarctic no aerial history has been made, for the members of the Byrd expedition have been shut in their camp keeping warm during the terrific cold of the Antarctic Winter. On July 2 the temperature was reported to be 62 degrees below zero.

Making It Easy for the Criminal

By ALBERT BUSHNELL HART

PROFESSOR EMERITUS, HARVARD UNIVERSITY; CHAIRMAN,
BOARD OF CURRENT HISTORY ASSOCIATES

THAT it is perfectly possible to prevent the prevalent type of crime in America is shown by the fact that other great countries get on without it. Why is it that Great Britain and Germany and France, for instance, are comparatively free from the present types of what might be called "corporate crime"? It is because the people of those countries dislike that sort of thing sufficiently to provide efficient antidotes.

We have perhaps the poorest police system of any large country, because it is broken up into small units; and particularly because hardly any State in the Union has ever provided a general constabulary, with a representative in every unit of population, who is responsible to the central office. Our conception of country public officials seems to be derived from Shakespeare's Dogberry. Any State might, by legislative methods used in other countries, create a general metropolitan body of police, that would operate in following up fugitives. It would result in the stamping out of criminal bands, which are beginning to imitate the organized robbers of the Middle Ages. It would furnish a nucleus for an armed and disciplined body of public servants for a crisis.

Everybody knows that our present methods of dealing with criminals are partly archaic and partly outside all previous human experi-

ence. One of the greatest obstacles to justice in these times is our preposterous bail system. The original idea of bail was that if a man, previously supposed to be of character, were arrested, some friend would come along and say: "I know this man. I am sure he will not run away from trial, and I will make myself responsible for a stated amount in my own property for his appearance." At present the American system of bail is nothing more than an insurance system carried on to a considerable degree in secrecy, and based upon the preposterous idea that it is a vested right of a man (no matter how damaging the evidence) to be allowed to go free till the time of trial. Instances are on record of a man out on bail using his leisure to commit a second crime.

No space need be given to the familiar system of the law's delays in criminal cases, nor to the kinks of criminal jurisprudence. Of course, every reasonable opportunity must be given to a man to prove his innocence, and the considerable number of second, third and tenth convictions proves some efficiency and proficiency in the field of crime detecting. Nevertheless, it is impossible to ignore the fact that murders in Chicago are ten times (or is it fifty times?) greater in proportion than in London. In London criminals are not to be despised, but they seem to think

murder unsafe; whereas in Chicago crime is becoming a limited civil war. What is prevented in London could be prevented in Chicago, if the respectable people of Chicago would keep up their present attempt to civilize their city. The conclusion seems undeniable that we have as good or as bad a system of criminal justice as we desire.

Meanwhile, the American-born mafias of our great cities are proceeding rapidly toward constituting themselves a State within a State. Clearly that must be just what we want, inasmuch as we, as a people, permit the creation of private armies of criminals. Obviously we desire to have firearms widely distributed; the proof is that anybody who has \$2.50 can buy a revolver warranted to kill. The sale of lethal weapons ought to be placed under as stringent a regulation as the sale of lethal drugs. We are told that you cannot stop the gangsters because they go about in an armored car. Where do they get that armored car? Presumably they buy it at market rates, which is no more stupid than it would be to allow them to buy a high explosive shell or a poison-gas container—and no questions asked. So with a machine gun. The possession of a machine gun by a private individual ought to be defined as a crime, because a machine gun, however useful to an officer of the law, is not adapted to be carried in the pocket of a respectable citizen.

EXCESSES OF CHARITY

Americans are in general kindly and merciful. One of the worst excesses of our charity and human sympathy is the feeling that it is inhuman to make a poor presumptive murderer spend months in a sparsely furnished cell. We are very

stern about "cruel and unusual punishments." We shiver with sympathy for the unhappy murderer—waiting, waiting for the jury to come in. How is this overwrought and mawkish sympathy to be reconciled with the savage cruelty which we as a nation habitually inflict upon convicted prisoners, derelicts and inhabitants of almshouses?

It has been for many years a terrible calamity for anybody to grow old without money investments or kindred who will feel some responsibility. The ordinary almshouse in the ordinary State is a place of misery. People are not starved (although they are often very ill fed), but they lead melancholy and barren lives.

LIFE IN PRISON

The fate of prisoners, except those who, out of the profits of their business of crime, live luxuriously by indulgences of prison officials, is wretched at the best, and is made intolerable in badly managed prisons. It is a literal fact that in one of the Southern State prisons as many as twenty people are empowered to use the lash on prisoners at their discretion; that in that place some prisoners are made unofficial guards, and in case one of their fellow wretches attempts to escape, they are authorized to shoot him, and if they kill him will receive a pardon from the Governor.

A French official has recently published his belief in a system of judicial torture, because, he says, evidence given under torture is always the truth. The experience of thousands of years denies that dictum. Testimony under torture will result in what the poor wretch believes is most likely to stop the lash or the thumbscrew or the hot iron. The Frenchman's theory is, how-

ever, that of a very large number of American police officials who have established, without law and in the teeth of law, the third degree, which is simply a system of judicial torture practiced not even on criminals, but on persons suspected of crime. The Supreme Court of the United States recently quashed the conviction of a Chinese, who was convicted of murder upon evidence thus obtained; but the practice goes on constantly and it is clear that the American people like it, because so little effort is made to put it to the ban.

A HOST OF EVILS

Never in the history of mankind has there been a country where the large majority of the people are so well housed, so well fed, so well educated, so pleasantly transported, and so plentifully amused. Yet all that comfort and luxury does not prevent us from enduring a host of evils, a

few of which have just been mentioned, simply because it does not seem worth while to take the trouble to eradicate them. The conclusion is irresistible. We like a state of things in which crime is easy, detection in the hands of rather unskilled men, and all the accessories of crime left within reach of the criminal.

Of course, we cannot have all that fun without paying something. The time is now rapidly approaching when the successfully tried methods of thousands of years will be revived. Perhaps the kidnapping of men of wealth and influence will soon become as commonplace as that of the Count of Monte Cristo by the Italian brigands. Then we shall do what wealthy men in Sicily did for centuries—pay a regular sum every year to the robbers for a license to live. Evidently that is what we like. As the Spanish proverb puts it: "‘What will you have?’ quoth God. ‘Pay for it and take it.’"

Disarmament Discussion Raises New Hopes

By JAMES THAYER GEROULD

PRINCETON UNIVERSITY; CURRENT HISTORY ASSOCIATE

IS something going to be done about disarmament at last? In both England and America, and to a certain extent on the Continent, though there people are less sanguine about it, a feeling of hope prevails that was not present a few months ago. The Preparatory Commission has been sitting since 1926, and the military and naval experts who have dominated it have entangled themselves in such a maze of technicalities that its practical results are hardly worth mentioning. The War Offices and the Admiralties have been seeking, not reduction of armaments but such agreements as will increase their own national power in relation to their neighbors. In opposition to any project that seemed to promise effective reduction, they have been able to advance technical arguments to prove that it did not satisfy the national requirement for "security," unanswerable because everybody has been playing the same game. Not infrequently delegations have supported positions that have had quite different purposes from those which appeared on the surface. Our demand at Geneva for cruisers mounting 10-inch guns, for example, was not based on any demonstrated need for guns of that calibre, but because thereby we could render ineffective in combat the ships of the British mercantile marine, which are able to mount guns of no more than 6 inches.

The fundamental difficulty has been that all the nations have been thinking in terms of war. It was always lurking just across the horizon. Despite the League and Locarno, it had always to be taken into account. It was an instrument of national policy. The pact of Paris, if it is to be taken with any seriousness, has changed all this; and there are powerful forces at work which propose to have it taken seriously. At the very least, the

pact demands that there shall be renewed efforts to perfect the methods of pacific settlement of international disputes, and such a reduction of armaments as will bring them within a proper police level. "For just in proportion as national armaments are diminished," says a writer in a recent number of the *Round Table*, "will the propaganda of militarism and the risk of war grow less, and the validity of international guarantees increase and the risk involved in giving them grow less." President Hoover believes that the pact of Paris means what it says, and he is determined to leave nothing undone which will increase its effectiveness.

The world is fortunate in having in control of the foreign policy of four of the great nations men of such force and undoubted sincerity as Mr. Hoover, Mr. Ramsay MacDonald, M. Briand and Dr. Stresemann. With such a combination it should be possible to accomplish something of positive value. This was the purpose of Mr. Hoover's address at Arlington on May 30 (see July *CURRENT HISTORY*, p. 686). He followed it almost immediately by such instructions to Mr. Dawes, newly appointed as Ambassador to Great Britain, as resulted in the conversations with Mr. MacDonald at Logie House, near Forres in Scotland, on June 16, on the day following his arrival in England. At that conference three very important things were determined: first, that in future negotiations the so-called "expert" is to give place to the statesman; second, that the naval agreement to be sought shall include all the naval powers; and last, that for the present the discussion of the thorny problem of the freedom of the seas is to be postponed. There is little doubt that in Mr. MacDonald's mind, if not in Mr. Hoover's, there is a complete recognition of the fundamental importance

of this point of difference between Great Britain and the United States; and that until it is settled there can be no complete resolution of the conflict of interest between them.

The British political situation is such, however, that Mr. MacDonald must proceed warily, taking one step at a time. He represents, after all, a minority party, and he must count on support from the Liberal benches if he is to secure the enactment of his program. No doctrine is more firmly imbedded in the British mind than that of the command of the seas; and while the conditions under which it was valid have totally changed, this fact has not sunk as yet very far into the popular mind. Mr. MacDonald is governed too by another situation that is not generally understood. To an extent much more than with us matters of policy are influenced by the permanent staff in the Foreign Office, the War Office and the Admiralty; and the bureaucratic mind is ever fearful of change and tenacious of precedent.

The agreements reached at Forres were given fuller expression by Mr. MacDonald in a speech to his old friends at Lossiemouth on June 18, and by Mr. Dawes at a dinner given by the Pilgrims in London

on the same evening. Mr. Dawes at some length defined the proper relation between the statesman and the expert, particularly in matters relating to disarmament: "The naval officer has his duty to perform to the State, and it is primarily to secure it from attack. He therefore trusts in his ships and his armament. It is the duty of the statesman to remove from his State danger of attack." He expressed a doubt of the ability of the naval experts to agree on so simple a thing relatively as the "yardstick." The result of their discussions must finally be passed upon by the statesmen, who can reach conclusions that have a wider basis. At the close of his address, Mr. Dawes referred to the principle of equality of naval strength as between Great Britain and the United States as one that is firmly established as "sacred and inviolate."

The reports of the Logie House conversations and of the two speeches were received with great enthusiasm the world over, as was the suggestion that Mr. MacDonald should come to America for a conference with Mr. Hoover. The correspondents seemed at first convinced that the visit could be made in August, but before many days had passed it was announced that the projected visit would be



WALKING THE "YARDSTICK," 19-?

—The Daily Express, London



AT LAST THE WAR IS OVER

—New York World

postponed for several months. What is to be the next step has not as yet been determined, or at least announced. The mistake of insufficient preparation which wrecked the Geneva Conference will not be repeated. Both Downing Street and Washington will proceed very carefully, but they are not idle. On June 24, Hugh S. Gibson, American Ambassador to Belgium and the leading American delegate at the meetings of the Preparatory Commission, was in conference with Mr. Dawes in London. This meeting was followed by informal exchanges of opinion in which the French and Japanese Ambassadors and the Italian Chargé d'Affaires were included. It is still a matter of speculation whether formal action will be deferred until the next meeting of the Preparatory Commission which is likely to be in September at Geneva, or whether it will be taken by a conference of the larger naval powers to be summoned before that date.

An interesting suggestion, made of

course without official sanction, though perhaps as a trial balloon, was contained in an article by the well-known political writer "Augur" in the July number of the *Fortnightly Review* (London) and was to the effect that as an evidence of peaceful intentions the British should abandon their naval bases in the Caribbean.

Mr. MacDonald has not been content to show his faith in the pact of Paris by action which envisages the naval problem alone. He has announced that his government proposes to accept the full jurisdiction of the World Court, as contained in the so-called optional clause of its fundamental statute, possibly with reservations regarding causes between two members of the British Commonwealth, and until the question of the freedom of the seas is determined, in cases involving that doctrine.

Japan, last of the original signers, has ratified the Pact of Paris, and it only wants the formality of the exchange of ratifications to be finally in effect. At no

time has there been in Japan any hostility to the substance of the treaty, but on constitutional grounds repugnance to the phrase "in the name of their respective peoples." Under Japanese theory, the treaty-making power resides exclusively in

the Mikado, and on this question the contest in the Privy Council was long and bitter. It was finally agreed to accompany the ratification, which was accomplished on June 27, with a brief statement of the constitutional situation.

Steps Toward Ratifying the Young Plan

OF scarcely less importance than measures for disarmament, which will tend to make it easier to avoid future wars, is the final determination of what is to be done with the results of the last one. The experts' report embodying the Young plan to solve the reparations problem (see pp. 854-859 of this magazine) has as yet no legal validity, and before it can come into effect it must be ratified by the governments concerned. Although it is for the interest of every one that there should be a prompt decision regarding these matters, no program has yet been announced, though doubtless a plenipotentiary conference will be held in the near future.

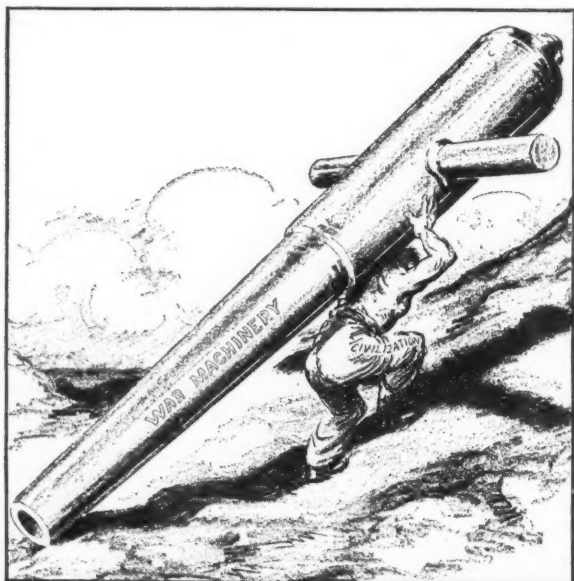
In his conversations with Briand, Stresemann has endeavored to secure, as a price for the acceptance of the agreement, a definite promise of the evacuation of the Rhineland and an early determina-

tion of the future of the Saar. To this the French violently objected, as they wish to retain some measure of control if it be no more than by a civilian commission, even after the agreement has been ratified. The chances that they will get it are not very good, as they will hardly have the support of Great Britain. The MacDonald government is moving cautiously, not wishing to antagonize France, but the British public feels that their troops should be brought home.

The situation in France is further complicated by the necessity for reaching a settlement of their debt to the United States. The discussion of the matter in the Chamber of Deputies during the last month has been of a character of which no Frenchman can feel very proud. M. Poincaré is having a stiff fight on his hands to secure the approval of the Young plan, for on the Right there is a party which repudiates the agreement entirely, and on the Left there are groups that demand that, along with its acceptance, there shall be such arrangements with Germany as will insure its future cordial co-operation.

The British, too, are asking questions. In the campaign before the general election, Philip Snowden, now Chancellor of the Exchequer, bitterly attacked the principle of the Balfour note which is embedded in the Young plan. His views have never formally been endorsed by his party, or by Mr. MacDonald, but he may be able to convince his associates that it is worth while to make a fight for a large percentage of the German payments.

It will be very hard for the



THE NEW CALVARY
—The Brooklyn Daily Eagle



INTEREST ON WAR DEBTS

"America is restricting immigration and imports. This is the only immigrant allowed free entrance"

—Il "420," Florence

German Government to secure ratification unless beforehand it has positive assurances regarding evacuation. No one in Germany is more anxious to have the plan carried out than Dr. Schacht, but in the course of a very frank and good-tempered speech at Munich on June 28 he advised that its acceptance should be conditioned on a free Rhineland.

Pending official action regarding the larger proposal, nothing definite can be done regarding the organization of the international bank. Doubtless, Americans will have a good deal to do with perfecting the plan and with the future management; but, as in most other similar international undertakings, the United States Government is content to accept the benefits, so long as it can be done without assuming any responsibility. On June 25 the American experts had an extended conference with President Hoover and Sec-

retary of State Stimson, but there is nothing to indicate that the administration will permit the Federal Reserve Bank to participate on the same terms as the other central banks. The only phase of the settlement that will be submitted to Congress for approval will be the modification of the terms of the agreement with Germany regarding army costs and mixed claims.

BELGIAN MARKS QUESTION SETTLED

The question of the reimbursement of Belgium for German marks left in that country in exchange for Belgian francs confiscated during the war was settled by an agreement signed in Brussels on July 13. This question was so serious an obstacle at the experts' conference which drew up the Young plan that it had finally to be left for direct settlement by Germany and Belgium. By the agreement signed by Camille Gutt on behalf of Belgium and Dr. Erwin Ritter for Germany, the latter country will repay Belgium in thirty-seven annuities as follows:

Sept. 1, 1929, to March 31, 1930—16,200,000 marks (about \$3,885,000).

During the next three years annuities of 21,500,000 marks (\$5,156,000).

During the next eight years annuities of 26,000,000 marks (\$6,235,000).

During the next eight years, April, 1941,



THE GOAT

—The Washington Post

to March, 1949—20,100,000 marks (\$4,825,000).

Thereafter seventeen annuities of 9,300,000 marks (\$2,230,000).

These annuities follow the sequence of those of the Young plan and represent at their capital value 320,000,000 marks (\$76,800,000), which is considerably below the Belgians' minimum claim during the reparations conference, when they asked thirty-seven annuities of 25,000,000 marks. In the agreement the stipulation is made that the German engagement is unconditional, that is, the annuities will be paid even if a moratorium on the transfer of payments be granted under the Young plan. Germany, however, reserves the right to make payments in kind.

The Belgian and German negotiators

also signed a tentative agreement on the question of restitution for German properties in Belgium which were under sequestration. Effective as of June 7, the date of the signing of the Young plan, Belgium renounces the right to liquidate or to retain all German-owned properties in that country and also surrenders a right conferred under the Treaty of Versailles to disregard German trademarks and copyrights. Payments by German owners, who bought their property back but have not as yet turned over the money for it, are canceled. Settlement for German properties which have already been completely liquidated and some other similar details will be arranged by negotiations after the Young plan goes into effect.

The League of Nations Month by Month

By ARTHUR SWEETSER

THE outstanding event of the League of Nations during June was the regular quarterly session of the Council which met for the fifty-fifth time on what was practically the tenth anniversary of the signature of the peace treaties. There were about forty items on the agenda. The meeting had a special interest, as it took place in Madrid. Several years ago the Spanish Government had issued an invitation to this effect, but in 1926, at the time of Germany's entry into the League, difficulties had developed, and Spain, denied a permanent seat on the Council, had given notice of withdrawal and was for nearly two years absent from the central meetings. That this did not represent a permanent policy, however, was shown by the fact that last September she resumed her place and denied any desire to suggest conditions. When consequently the invitation was renewed this Spring, the Council accepted and some 300 diplomats, 100 officials and about 150 journalists gathered at Madrid for a ten-day session.

The Council's agenda contained a series of progress reports on many of the cur-

rent items of League work. Among them were statements, most of which required some confirmation or decision, from committees on finance, economics, transit, international law, health, opium, child welfare, refugees and other matters. Four new international conferences were authorized or arranged for on subjects which have now run the gamut of technical preparation to the point where they are ready for final plenipotentiary discussion. A conference on the harmonization of the laws of bills of exchange and cheques is authorized shortly; another on customs, railway and postal questions relating to the transport of newspapers and periodicals is fixed for next Fall; a third will meet on Sept. 4 to consider amendments to the Statute of the Permanent Court; and the fourth, the first to be called for the codification of international law, is finally fixed for March, 1930, with fullest preparation and the technical and other details already worked out.

The most important single item on the agenda, however, was as to the best way of securing fulfillment of the obligations accepted by a dozen European States for

the protection of certain racial, linguistic or religious minorities estimated to comprise some 40,000,000 people. This question, long the source of the bitterest feelings in Europe and a cause of great uneasiness in League meetings, had flared out last December into an open debate between the German and Polish Foreign Ministers. A study was then set under way to devise methods by which these minority rights could be more surely safeguarded without at the same time impinging on the rights and susceptibilities of the States involved. A special subcommittee of the Council had sat for some time on the question and their report came in turn before a committee of the whole in Madrid. After four days of intense debate, an agreement was reached which, while not fully satisfying the complainant States, nevertheless made enough progress in quicker administration, greater publicity and surer control to justify its acceptance. In addition, a series of special complaints under the minorities treaties, especially in Upper Silesia, came up for discussion and general agreement.

Of special American interest was the Council's acceptance of the report of the jurists' committee, of which Mr. Elihu Root is a member, on the double question of possible amendments to the court statute which the experience of eight years may show to be desirable before the full bench is chosen again in 1930, and of the accession to the statute of the United States, as proposed in Secretary Kellogg's note of Feb. 18 last suggesting further negotiations to see if the last remaining difficulties in connection with the Senate reservations might not be removed. The Council did not feel called upon to enter into any discussion of principle on either point but confined itself to providing for the next necessary steps for their appropriate handling. As regards amendments, a conference of signatory States was called to meet at Geneva on Sept. 4, when practically all nations will be represented at the assembly. As regards American accession, the Council accepted the jurists' report for itself, authorized its official transmission to the signatory States and to the United States in response to Mr. Kellogg's note, and placed

the matter on the agenda of the assembly. At that time the next step can be decided upon, either through a special conference or along the lines the United States may care to suggest.

The Council authorized the creation of a permanent fiscal committee to consider the complicated problems of double taxation and fiscal evasion. This is the culmination of a long story dating back to the Brussels financial conference in 1920, when the importance of this matter was just coming into prominence. Consideration began with an expert committee of four, including Professor Seligman of New York, which led on through constantly enlarging committees to the recent world conference, at which the United States was represented by Professor Adams of the Treasury Department. There not only were several international conventions on different aspects of the question agreed upon but also the creation of a permanent committee to study it from month to month as it develops. At this session the Council named the fifteen members, including among them Professor Adams.

The Council also approved the financial committee's proposal to continue its study into the purchasing power of gold through a few recognized authorities without at the moment setting up a special committee. It welcomed the coming into force of the Greek-Bulgar emigration agreement; adjourned for the moment the question of the Saar Governing Commission loan; transmitted the new convention on counterfeiting currency to certain States not represented at the conference; and referred to the finance committee that conference's recommendations for another convention on the counterfeiting of securities and other documents. In the economic field, it forwarded for technical study the resolutions of the May session of the Economic Consultative Committee which concern many vital international questions such as industrial cartels, reduction of customs tariffs for certain commodities, and the question of agriculture.

Two draft conventions on repatriation of and assistance to foreign minors were transmitted to governments, as well as an inquiry regarding changes in laws on il-

legitimate children and the auxiliary services of juvenile courts. Far Eastern governments are to be asked if they would agree to and cooperate with an extension to their territories of the inquiry into the traffic in women and children already made for the rest of the world, and the attention of all governments will be drawn to the special committee's recommendations on licensed houses and persons living on the earnings of prostitution. The organization of the Permanent Central Opium Board was approved, though not without the expression of some dissatisfaction with the lack of results in the anti-drug campaign. Information on slavery sent in by the British, Spanish, Portuguese and Sudanese Governments was forwarded to the assembly and satisfac-

tion expressed at the ratification of the convention by several new States, including the United States.

A special European conference of interest to overseas countries, especially the United States, was held in Geneva to frame an international agreement on transit cards for emigrants to overseas countries. Agreement was reached on an international scheme aiming to simplify transit formalities for emigrants passing through the various countries en route abroad. To that effect a model transit card has been drawn up to be issued by the governments or the steamship companies, without cost and on definite lines. Both the facilities to be accorded to emigrants and the obligations of the steamship companies are carefully described.

THE UNITED STATES

The Hoover Administration Victorious On Farm Relief

By ALBERT BUSHNELL HART

THE farm relief bill, with the debenture scheme eliminated after the measure had been in conference, was signed by President Hoover on June 15. The House of Representatives, it will be remembered, passed the agricultural marketing bill on April 25. The Senate meanwhile was considering a similar measure except for the addition of a debenture plan. When it became evident that this scheme for an export subsidy was gaining considerable support among Democratic Senators and the Senators from farming States, President Hoover expressed his unqualified disapproval of it on ten counts, in a letter to Senator McNary. Nevertheless, the Senate accepted the debenture plan on May 8 by a vote of 47 to 44. A joint conference on the House and Senate versions of the bill ensued. Various considerations, including the uncompromising opposition of House leaders, the threat of the President's veto, the fear of responsibility for the failure of the whole farm

relief program and the falling price of wheat, caused the Senate committee to abandon the debenture plan and recommend in its conference report that it be eliminated.

On June 11, however, the Senate rejected the conference report, thus causing a new deadlock with the House. The same day President Hoover again entered the lists by issuing a statement in which he declared that "the vote in the Senate today at best adds further delay to farm relief and may gravely jeopardize the enactment of legislation." Replying to Senator Borah's accusation that the President was repudiating campaign pledges, Mr. Hoover continued: "The conferees' bill carried out the plan advanced in the campaign in every particular. * * * Subsidies were condemned in the course of the campaign, and the so-called debenture plan, that is, the fixing of subsidies on exports, was not raised by either party, nor by its proponents. No serious attempt has been made to meet the many practical objec-

tions and leaders in Congress have advanced against this proposal. It was not accepted by the House of Representatives and has been overwhelmingly condemned by the press, and opposed by many leading farm organizations."

That same evening the President called a conference of Congressional leaders. He effected a compromise on a point which had evidently been a thorn in the side of the Senate. This was the fact that the House had never actually voted on the debenture plan. The Senators agreed to abandon it if the House by direct ballot set itself on record as opposed to it. This the House leaders agreed to, although reluctant, for obvious political reasons, to commit themselves. This compromise sounded the knell of the debenture plan and assured the administration's victory. On June 13 the House rejected the debenture plan by a vote of 250 to 113. On June 14 the Senate passed the bill without the plan by 74 to 8 and the next day President Hoover put his signature to the agricultural marketing bill.

Perhaps even more troublesome than winning over the Senate was the President's next task, that of choosing the eight members of the Federal Farm Board, whose requirements Mr. Hoover outlined as follows: "The choice of the board is not easy, for its members must in a measure be distributed regionally over the country. It must at the same time be chosen so as to represent, so far as possible, each major branch of agriculture. Moreover, the board must be made up of men of actual farm experience, and inasmuch as its work lies largely in marketing in conjunction with farm cooperatives, its membership should be comprised of men who have been actually engaged in directing farmers' marketing organizations. It is desirable that the board should have in its constitution at least one man experienced in general business and one with special experience in finance."

The President's choice for chairman of the board was Alexander Legge, president of the International Harvester Company. The other members who had accepted appointments, up to the time of writing, were James C. Stone, vice chairman, tobacco magnate; C. B. Denman,

president of the National Live Stock Producers Association; Carl Williams, editor of the Oklahoma *Farmer-Stockman*; William F. Schilling, president of the Twin City Milk Producers Association; Charles A. Wilson, former New York State Commissioner of Agriculture, and Charles C. Teague of the California Citrus Cooperative Association. The board met at the White House on July 15 to consider immediate action. Congress authorized a preliminary appropriation of \$151,000,000 for its use.

With farm relief transferred from its shoulders to a board of nine experts (including Secretary Hyde, *ex officio*), Congress voted itself a recess on June 15. The tariff, the chief unsettled problem, remained to occupy the Senate. The House, which had passed the Hawley tariff bill on May 28, planned a vacation until the middle of October. The Senate voted to return on Aug. 19, by which time their finance committee hoped to have a tariff bill ready by remaining in Washington to hold hearings and revise the Hawley schedules. Before adjourning, however, the Senate defeated by one vote Senator Borah's resolution to limit tariff revision to agricultural schedules.

It took three months of hearings before the House Ways and Means Committee to arrive at the Hawley bill schedules, and these were again considerably revised before the bill was finally passed. The whole process was again undertaken by the Senate committee. Presumably representatives of the same industries presented the same demands to the committee, using the same arguments. But there was evidence that the Senate hearings would produce schedules quite different from those of the Hawley bill, a difference due to political considerations and to a noticeable change in public sentiment which took place during June.

Both the Democratic and Republican election platforms advocated a protective tariff, evidently on the assumption that that was what the country wanted. A new sentiment against general revision was, however, reflected in the press, both Democratic and Republican, after it became known that the Hawley bill provided for higher rates in practically every

schedule. This change of heart may be ascribed chiefly to two causes.

First, the repeated insistence of President Hoover on "limited revision." Whereas the President never discussed specific rates or products, he held many private conferences with industrialists and numerous statements emanated from the White House concerning a tariff which would "protect the consumer as well as the producer" and "sane, sensible" tariff revision.

Second, protests from foreign producers, transmitted through their governments to the State Department and thence to the Senate finance committee, kept pouring in. A statement issued on July 10 showed that thirty-eight nations had entered protests. Mark Sullivan, a political writer on the Republican *New York Herald Tribune* and a close friend of Mr. Hoover's, commented as follows: "The transmission to the Senate of protests against our new tariff and the publication of them is a sign of a change that has real meaning. The change lies in the fact that this time serious attention is paid to the protests. Similar protests came during previous tariff revisions, and the attitude then expressed, in the literal words of an old-time Senator, was 'let 'em howl.' Some present high-tariff Senators continue that attitude, but the most important of the business leaders to whom such Senators cater have changed their position."

Senator Borah, evidently more in line with the administration on the tariff than on farm relief, tried by his resolution to limit changes to farm products, but failed by one vote. He continued his crusade, however, against the Hawley bill, saying on July 11, that "it is natural and I think perfectly proper for foreign people to bring to our attention what they conceive to be the probable effect of our proposed legislation relative to the tariff. But, in my opinion, the real kick against the House tariff bill is with our own people and not with the people abroad. It is the American people who have justification for serious protest. And I am myself giving more attention to that than I am to objections from abroad. I do not think that in all the history of tariff legislation there has been such an utter disregard of the pledges of a party as are incorporated

in the House tariff bill. When we take into consideration the mergers and the combines which are being formed with reference to everything which goes into one's stomach and onto his back and then take into consideration the aid which is given such mergers by the House bill, I think it is the American people who had better be vigilant as to what is happening."

Public hearings before the Senate finance sub-committees ceased on July 11. The question of the sugar tariff, hearings on which began on June 26, was heatedly argued. Domestic, Cuban, Porto Rican and Philippine interests were represented. The Hawley measure, raising the rate on imported sugar from 2.2 cents to 3 cents a pound, Cuban sugar from 1.76 cents to 2.4 cents a pound and leaving Philippine sugar free was defended by domestic growers as an aid to beet-farmers in the West. It was attacked by Cuban and Porto Rican interests as ruinous. Senator Smoot prepared a sliding scale plan for the committee's consideration, but no decision had been reached at this writing.

Representatives of the leading automobile and motor truck manufacturers assembled to give their views on July 11. The present rate on automobiles is 25 per cent. The Ford and General Motors companies advocated free trade, the Packard Company a reduction to 10 per cent and the White Truck interests the continuance of the present rate.

NATIONAL ORIGINS

The national origins method of computing immigration quotas went into effect on July 1 in accordance with an act passed by Congress in 1924 and reluctantly proclaimed effective on that date by the President last April. Mr. Hoover had recommended that Congress in the special session postpone the operation of the national origins provision a year but Senator Nye's resolution to this end was defeated by a vote of 43 to 37 on June 13.

From 1924 to July 1, 1929, annual immigration quotas equaled 2 per cent of the foreign born from each country living in the United States in 1890. The new system, according to one expert, "seeks to preserve the existing racial proportions of

the American people by distributing a total annual immigration of 150,000 among the quota countries in such proportions as to make this army of immigrants a reflection in miniature of the make-up of the white population derived from quota countries living in the United States in 1920—native and foreign-born alike." A number of important changes in quotas result from this new and elaborate method of computation:

	NAT'L ORIGINS QUOTA	PREVIOUS QUOTA
Austria	1,413	785
Belgium	1,304	512
Germany	25,957	51,227
Gt. Britain and N. Ire.	65,721	34,007
Irish Free State.....	17,853	28,567
Italy	5,802	3,842
Netherlands	3,153	1,648
Norway	2,377	6,453
Sweden	3,314	9,561

Action on another long-deferred matter was taken by Congress when both Houses approved the final version of the census and reapportionment bill. President Hoover affixed his signature on June 18. Census-taking will begin on April 1, 1930 and reapportionment of the House of Representatives will follow.

BOULDER DAM

Six years ago Secretary of Commerce Hoover negotiated an interstate agreement for the distribution of the Boulder Dam project water supply in Arizona, California, Colorado, Nevada, New Mexico, Utah and Wyoming. All but Arizona having ratified the compact, President Hoover on June 25, proclaimed it in effect. Commenting on this action the President said: "I have a particular interest in its consummation not only because of its great intrinsic importance but because I was the chairman of the Colorado River Commission that formulated the compact. The compact itself relates entirely to the distribution of water rights between the seven States in the basin. It has nothing *per se* to do with the Boulder Canyon development except that it removes the barriers to such development. It has some points of very considerable interest. It is the final settlement of disputes that have extended over twenty-five years and which have estopped the development of the river. The difficulties over the respective water rights of the different States have served

to prevent development in a large way for nearly a quarter of a century. And it has an interest also in that it is the most extensive action ever taken by a group of States under the provisions of the Constitution permitting compacts between States."

The President called an interstate conference in June for the consideration of oil conservation. Mark L. Requa, chairman of the conference, and Secretary Wilbur, as spokesmen for the administration, urged an interstate compact for the regulation of production, but this proposal encountered opposition from the representatives of the States, who criticized the President's action last March in prohibiting further drilling on government oil lands. (See CURRENT HISTORY for May, 1929, p. 315.) The conference adjourned, unable to come to an agreement.

FINANCIAL REPORTS

The new fiscal year dawned brightly for the Treasury, which on June 30 announced a \$185,000,000 budget surplus for the fiscal year of 1929. So large a sum, hardly expected in view of Mr. Coolidge's warnings of a deficit last Winter and the budget's modest estimate of \$37,000,000, was attributed chiefly to the increase in income tax returns due to the phenomenal profits on the stock market. The government spent \$3,848,000,000 during the fiscal year (as against \$3,644,000,000 in 1928), and of this \$673,000,000 was used for the reduction of the national debt to \$16,931,000,000, the lowest it has been since the World War. The total government receipts were \$4,033,000,000—\$9,000,000 less than in 1928. Of this, the income tax yielded \$2,330,000,000, about \$156,000,000 more than last year; customs duties aggregated \$602,000,000, compared with \$569,000,000 in 1928.

Secretary Mellon's report stated: "The most significant changes to be noted in 1929, as compared with 1928, in so far as receipts are concerned, is the almost complete disappearance of the large revenue derived up to the present time from the sale of government-owned capital assets, continued downward trend in back tax collections, the loss in revenue occasioned by the repeal of the automobile tax, the

modification of the admissions tax and the reduction of the corporation tax rate; and, on the other hand, the unusual increase in receipts from the individual income tax, the record-breaking receipts from the tobacco tax and the unusually large yield of the stamp tax."

The following table summarizes the financial position of the government:

FISCAL YEAR 1929	FISCAL YEAR 1928	DIFFERENCE
Income tax—		
\$2,330,000,000	\$2,174,000,000	+\$156,000,000
Customs receipts—		
602,000,000	569,000,000	+ 33,000,000
Miscellaneous internal revenue—		
607,000,000	621,000,000	- 14,000,000
Miscellaneous receipts—		
494,000,000	678,000,000	- 184,000,000
Total ordinary receipts—		
\$4,033,000,000	\$4,042,000,000	- \$9,000,000
Total expenditures—		
3,848,000,000	3,644,000,000	+ 204,000,000
Surplus—		
\$185,000,000	\$398,000,000	-\$213,000,000
Total public debt—		
16,931,000,000	17,604,000,000	- 673,000,000
Average interest rate—		
3.94%	3.87%	
Interest paid—		
\$678,000,000	\$732,000,000	- \$54,000,000

Calculations for the 1931 budget were

begun during June. As third director of that bureau President Hoover had appointed Colonel James C. Roop, assistant to Charles G. Dawes when he was the first director in 1921. Despite the tendency of government operating costs to rise each year, the President declared his determination to keep the 1931 budget down to the level of the "Coolidge economy" budget of 1930. He indicated that one large cost, the Postoffice Department's 1929 deficit of \$137,000,000, should hereafter be eliminated by putting that department on a paying basis. Higher rates on second-class mail, it was suggested, by the department would transfer the cost from the general taxpayer to the chief users of the mails.

Further light on the country's financial situation was shed by the annual report of the Department of Commerce, issued on June 24. The turnover of international payments between the United States and foreign countries, the report stated, was approximately \$22,000,000,000 during 1928, with a favorable export balance for this country of \$730,000,000. An interesting comparison brought out the fact that the \$525,000,000 spent by Americans abroad

was about two and one-half times what Europe paid this country on war debts during the same period. In a foreword Secretary Lamont further pointed out in regard to the debt payments that "their total was less than the net remittances to foreign countries made by our immigrants and our religious and charitable institutions. It was less than a fourth of what foreigners paid us in interest on our private loans and investments abroad, and not much more than a fifth of our net export of capital." Mr. Lamont concluded: "The investigation shows that, as a creditor nation, we are no such giant as is often supposed. War debts aside, we are a net creditor nation in the amount of



THE HIGH TARIFF BICYCLE

—The Detroit News

probably less than \$9,000,000,000. The growth of New York as a world financial centre has put us in net debt, on short-term account, to the extent of some \$1,638,000,000; and foreign long-term capital invested in the United States is now over \$4,000,000,000."

PROHIBITION

Three men were killed by the sawed-off shotguns of Federal prohibition agents near the Canadian border during the first half of June. On June 8, Henry Virkula of Big Falls, Minn., while driving home from the Canadian border with his wife and children, was ordered to halt by two border patrolmen, but before his car stopped was fatally shot by Border Patrolman Emmet J. White. There was no liquor in Virkula's car. White was indicted for murder. Archibald Eugster, attempting to smuggle liquor over the border in a speedboat near Detroit, was shot dead by Customs Inspector Jonah Cox. Arthur Gordon, attempting to escape from a car containing liquor, when halted near Plattsburg, N. Y., was killed by Patrolman Cheatham, who accidentally stumbled, with the result that his gun was unexpectedly discharged.

As a result of these incidents and the protests which they called forth, Seymour Lowman, Assistant Secretary of the Treasury in charge of prohibition, announced on June 17 that shotguns would no longer be carried by the customs border patrol, service pistols remaining their sole weapon. This move was said to have been at the President's instigation. On the following day Mr. Hoover supplemented this action with a statement which said in part: "I deeply deplore the killing of any person. The Treasury Department is making every effort to prevent the misuse of arms. Any case of misuse will be determined by the orderly procedure of the department and the courts. I hope that the communities along the border



THE "LUNATIC FRINGE"

—New York Herald Tribune

will do their best to help the Treasury end the systematic war that is being carried on by international criminals against the laws of the United States. It is these activities that are at the root of all our difficulties."

Sentiment in Congress against strong-arm enforcement expressed itself during the discussion of a bill authorizing an appropriation for Mrs. Virkula. No one rose in defense of the enforcement officials.

That a program of education in the benefits of prohibition would be supplied to schools on request was announced by James M. Doran, Prohibition Commissioner on June 25. This consisted of pamphlets illustrating the effect of alcohol on the human body, the history of prohibition and its economic benefits. When it was attempted to attach the stigma of "propaganda" to this plan, and the plan was criticized in Congress, the matter was evidently brought to the attention of the President,

who immediately vetoed the idea and signified his disapproval of such a government project. Through the press he let it be known that he did not consider such education a function of the Federal Government and did not see why the prohibition law should be emphasized in the schools more than any other law.

Charles G. Dawes, new American Ambassador at the Court of St. James's, ruled that no liquor would be served at the

embassy in London. Mr. Dawes had never served liquor on American soil since the Eighteenth Amendment was passed and saw no reason to change his policy.

Henry P. Fletcher, for five years United States Ambassador to Italy, tendered his resignation, to take effect on Oct. 15. No successor has been appointed to his post, nor to those of the late Myron T. Herrick at Paris or Noel B. Judah at Havana.

MEXICO AND CENTRAL AMERICA

Mexican Church and State End Three-Year Conflict

By CHARLES W. HACKETT

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THE settlement of the three-year conflict between the Mexican Government and the Mexican Catholic Hierarchy was officially announced on June 21, nine days after the opening of negotiations between President Portes Gil and representatives of the Roman Catholic Church. In the words of Archbishop Leopoldo Ruiz y Flores, papal delegate to Mexico, the settlement probably marks "the beginning of a real era of peace for the [Mexican] republic." In brief, the Church now has the right to designate those priests in charge of churches (which continue to be government-owned property) who are to register under the law, and also the right to instruct adults and their children within the churches, but not elsewhere, while Mexican Catholics are free to apply for modification of the Constitution and laws at any time.

Conferences between President Portes Gil and Archbishop Ruiz, assisted by Bishop Pascual Díaz of Tabasco, were held on June 12, 13 and 17. In addition, United States Ambassador Morrow conferred with President Portes Gil and also with Archbishop Ruiz and Bishop Díaz on June 15; he conferred at length with President Portes Gil again on June 17. At the last conference between President

Portes Gil and the Mexican prelates the basis for settlement received final approval and was cabled to Rome for approval. The Holy See's approval was received through the Chilean Embassy in Mexico City on June 21, and late that afternoon President Portes Gil and Archbishop Ruiz issued statements announcing the end of the dispute and the early resumption of services in the churches in which the clergy (for the first time since July 31, 1926) would participate.

President Portes Gil in his statement said that Archbishop Ruiz and Bishop Díaz had assured him that "the Mexican Bishops are animated by sincere patriotism and that they desire to resume public worship if this can be done consistently with their loyalty to the Mexican Republic and their consciences." This, they had told the President, could be done "if the Church could enjoy the freedom within the law to live and to exercise its spiritual offices." With reference to these assurances the President took occasion "to declare publicly and very clearly that it is not the purpose of the Constitution, nor of the laws, nor of the government of the republic to destroy the identity of the Catholic Church or of any other, nor to interfere in any way with its spiritual

functions." In concluding his statement the President summarized the terms of the agreement as follows:

First, that the provision of the law which required the registration of ministers does not mean that the government can register those who have not been named by a hierarchical superior of the religious creed in question or in accordance with its regulations. [This is equivalent to allowing the Catholic Hierarchy to designate those priests who are to register in compliance with Mexican laws, and thus, according to Dr. J. J. Burke, general secretary of the National Catholic Welfare Council "acknowledges the corporate rights of the Church and the authority of the Bishop of the diocese."];

Second, with regard to religious instruction, the Constitution and laws in force definitely prohibit it in primary or higher schools, whether public or private, but this does not prevent ministers of any religion from imparting its doctrines within the church confines to adults and their children, who may attend for that purpose;

Third, that the Constitution as well as the laws of the country guarantee to all residents of the republic the right of petition and, therefore, the members of any church may apply to the appropriate authorities for amendment, repeal or passage of any law.

In confirming the President's statement, Archbishop Ruiz said that he entertained "the hope that resumption of religious services may lead the Mexican people, animated by a spirit of mutual good-will, to cooperate in all moral efforts made for the benefit of the people of our fatherland." In a pastoral letter to Mexican Catholics, issued on June 25, Archbishop Ruiz, as apostolic delegate, said, in part:

We hope sincerely nobody will accuse the Church of improperly participating in politics because of the necessary relations which the Church must have in order to bring this matter to definite solution * * * The Church has no interest in maintaining or opposing particular governments. Nor have we any interest in any political candidate. We desire nothing more than to fortify the principle of authority and to accept the degree of liberty which we require from all governments. * * * This accord, while not contradicting in dogmatic fashion the desires of the Mexican Episcopate and the Pope, signifies nothing more than an acceptance of consequences of fact counseled by the principles of Christianity, especially since, according to Presidential declarations, the laws will not be applied in a spirit of passion and sectarianism, but, on the contrary, in a spirit

compatible with the existence of the Church's liberty. It now remains for prelates, priests and the laity to utilize the right which the President recognizes in his declaration by asking for reforms of the laws through petitions previously sent to Congress.

The settlement was received with rejoicing throughout Mexico. It is estimated that 100,000 people knelt in prayer before the shrine of the Virgin of Guadalupe, a patron saint of the Mexican Indians, on June 23. Three days later, eleven Catholic churches in the Federal district, including the shrine of Guadalupe, were entrusted to priests who had previously registered with the civil authorities as the national custodians of these government-owned properties. In these churches on June 27 mass was celebrated for the first time since July 31, 1926. Up to June 27 a total of ninety priests had been certified to Acting Secretary of the Interior Canales for registration, thus entitling them to become the custodians for the nation of churches throughout the republic.

When the Constitution of 1917 was adopted the principles that had been written into the Constitution of 1857 with reference to the relations of Church and State were reaffirmed and enlarged upon in Articles 3, 5, 27 and 130. The clauses in these articles to which the Catholics objected are the following:

Primary instruction shall be secular and no religious corporation shall direct primary schools.

Monastic orders are forbidden.

All acts of public worship shall be performed only within places of public worship.

Churches or religious institutions may not acquire or administer real estate. Churches and all buildings used for teaching a religious creed are the property of the nation.

State Legislatures have the right to determine the number of ministers of each creed according to the needs of the locality.

Only Mexicans by birth may be ministers.

They shall not be entitled to vote or hold public office.

Action to enforce these provisions was not taken until 1926. However, on Jan. 27, 1926, relations between the Calles and Coolidge governments over the Mexican

oil and land laws appearing to be leading to war, the Mexican Episcopate repudiated the Constitution of 1917. Archbishop Mora y Del Rio declared, on Feb. 4, 1926, that "the Episcopate, clergy and Catholics did not recognize and would combat Articles 3, 5, 27 and 130 of the existing Constitution." In an apostolic letter to the Mexican Hierarchy written on Feb. 2, 1926, but not made public until April 19, 1926, Pope Pius XI commiserated with the Catholic clergy of Mexico because of the "wicked * * * regulations and laws * * * against the Catholic citizens of Mexico" and approved the action of the Mexican Hierarchy in having "solemnly" protested against the laws—laws, or rather constitutional provisions, to enforce which no action up to that time had been taken by any Mexican Government.

Stirred by such a repudiation of the Constitution the Calles Government as early as Feb. 11, 1926, hastened the adoption of laws regulating some of the articles in question. On July 3, after the tension in the diplomatic controversy with the United States had temporarily lessened, and in order to enforce the provision forbidding foreigners from acting as priests, President Calles issued a decree comprising thirty-three articles under which all priests were required to register. The Catholic Hierarchy protested, alleging that registration would give the State unlimited control over the clergy and would even permit the State to license a priest who had not been designated by his Bishop or in accordance with the Hierarchy's regulations. When the decree became effective on July 31, 1926, Catholic priests all over Mexico, in accordance with instructions from the Hierarchy and with the approval of the Pope, suspended all services requiring the intervention of priests and withdrew from the churches. From then until the settlement priests did not conduct public services, although the churches, as a rule, have remained open.

Announcement was made on June 22 that Bishop Pascual Díaz, former Bishop of Tabasco, had been appointed Archbishop of Mexico City and Primate of all Mexico, in succession to the late Archbishop Mora y Del Rio, who died in exile in San Antonio on April 22, 1928.

Two thousand striking students of the National University, in protest against the retention of Antonio Leal Castro as rector of the institution, took possession of the university on June 11, and seized and held as hostages several university officials. An earlier student strike in protest against monthly examinations was thought to have been settled on June 5, when President Portes Gil, with the consent of Congress, declared the university free from the direction formerly exercised by the Department of Public Instruction. The President refused, however, to order the resignation of the rector and accordingly the strike was resumed. Students of the National School of Music joined the strikers on June 24.

Foreigners working in Mexico, but residing across the international boundary, were given fifteen days in which to establish their residence in Mexico, according to instructions issued by the Mexican Department of the Interior on June 14. It was officially announced that not more than 20 per cent of a corporation's employees might be foreigners.

A provision denying the right to vote to all members of the Mexican Army, including the highest officers, was adopted by the convention of the Anti-Re-electionist party in Mexico City on July 3. The convention previously had approved a plank granting woman's suffrage.

It was unofficially reported from Washington on June 21 that a two-year extension of the activities of the Special and General Claims Commissions, both of which were provided for by conventions signed in 1923, and subsequently prolonged, had been suggested to the Mexican Government by the Department of State, under the authority of the Borah resolution previously adopted by the United States Senate. Claims on behalf of 2,781 American citizens, involving \$513,694,267, and claims on behalf of 836 Mexicans, involving \$245,158,395, have been filed with the General Claims Commission. With the Special Claims Commission, the jurisdiction of which is limited to claims of citizens of the United States for damages or losses arising from revolutions in Mexico between Nov. 20, 1910, and May 31, 1920, a total of 3,148 claims,

aggregating \$420,435,256, has been filed. Total awards thus far in favor of the United States, including interest, are \$3,043,799, as compared with awards of \$39,000 in favor of Mexico.

Extradition proceedings brought early in May by the Mexican Government against Salvador Ateca, a wealthy Spaniard and former paymaster in the Mexican rebel army, were dismissed in New York City on July 3 by United States Commissioner O'Neill on the ground that there had not been sufficient evidence to justify surrendering him to the Mexican authorities. Extradition of Ateca's secretary, Antonio G. Maquero had been refused by Commissioner O'Neill on June 29. Ateca and Maquero originally were indicted for violation of the neutrality laws of the United States. Subsequently they skipped their bonds in Kansas City and when apprehended in New York City were charged with attempting, as fugitives from justice, to escape from the United States. The fact that they had over \$750,000 in money and securities was, in part, made the basis for the charge that they had "looted Mexican banks and the public treasury of the State of Chihuahua"—the charge upon which their extradition was sought by the Mexican Government. The Mexican Government finally withdrew its suit for the recovery of the money taken from Ateca upon his arrest and this was still in the possession of United States authorities on July 3. Russell B. Matthews, assistant director of immigration at El Paso, and W. H. Fryer, a former assistant United States District Attorney at El Paso, were arrested with Ateca, charged with conspiracy to aid his departure as a fugitive from justice from the United States. Matthews was later exonerated by the Labor Department at Washington, although he and Fryer are under \$2,500 bail on the conspiracy charge. Ateca and Maquero likewise are charged with conspiracy to evade the United States immigration laws and are out on bail for \$7,500 and \$5,000, respectively.

Properties of leaders of the recent military revolt valued at \$4,500,000 have been confiscated by the Mexican Government, according to the newspaper *Excelsior*, quoting Federal Attorney General Medina,

on June 28. The property confiscation applies only to ringleaders of the rebellion.

NICARAGUA—The dispatch to Nicaragua of a battalion of engineer troops to make the investigation and survey for the purpose of ascertaining the practicability and the approximate cost of a canal route through Nicaragua as provided for by a recent resolution of the Seventieth Congress was authorized by President Hoover in mid-June. The Nicaraguan Government enthusiastically consented to these troops carrying on such operations as may be necessary. Similarly, the Costa Rican Government granted the request of the United States to permit the troops to enter Costa Rica for the purpose of compiling the requisite information and data with reference to the proposed canal route.

United States Marines, accompanied by women, were accused by local newspapers of conducting a riotous "wet" party in an old cemetery at Managua, Nicaragua, on the night of June 5, in the course of which statues, monuments and gravestones were knocked down. In an address to a brigade of the marines on June 9, Brig. Gen. Wilson reviewed the excellent record of the Marine Corps and declared that there was no evidence to indicate that marines participated in the "cemetery party," but because of the high feeling that existed in Managua against the marines, he ordered that all members of the corps avoid entering into disputes with Nicaraguans over the incident. President Moncada, on June 12, after a personal investigation, expressed the belief that the damage was done by a person who entered the cemetery with destructive intent, and not, as charged by the Managua press, by a party of drunken marines. The President expressed the opinion that the outrage had been committed by political opponents desirous of creating grounds for adverse criticism of the marines and the policy of the present government.

That the Nicaraguan Government has the power to use for whatever purposes it desires the revenues from the Pacific Railroad is the position that was taken by Secretary of State Stimson on July 1. This decision appeared to settle the ques-

tion as to whether the policy of the railroad, the stock of which is controlled by the Nicaraguan Government, is to be determined by that government or by New York bankers who are in a majority on the board of directors. The issue upon which Secretary Stimson's opinion was sought arose when a majority of the directors desired to embark on a \$2,000,000 "improvement program" contrary to the wishes of President Moncada. Operating revenues of the railroad for the first eight months of the fiscal year amounted to \$859,036 and the operating expenses to \$410,249.

Augustino Sandino, the Nicaraguan rebel leader who opposed the Stimson peace terms of 1927 that were accepted alike by the Conservative and Liberal leaders of Nicaragua, left his country in June for exile in Mérida, Yucatán. He arrived at Tegucigalpa, Honduras, under military escort on June 23 and six days later, accompanied by twenty-five armed men, reached Santa Cruz, Mexico. Interviewed there, he declared: "Right now American imperialism is provoking trouble between Honduras, Salvador and Guatemala, striving to create an opportunity to step in and acquire islands for the establishment of a new naval base."

SALVADOR—The opening early in July of an eighty-mile link which will provide direct railway communication from El Salvador to the modern Guatemalan port of Puerto Barrios on the Caribbean was announced by President Fred Lavis of the International Railways of Central America. The new link, which will cost \$12,000,000, will give El Salvador its first rail connection with the Atlantic.

PANAMA—In an effort to reduce expenses and make possible the balancing of the budget, President Arosemena of Panama, on June 6, issued a decree

making effective the decision of his Cabinet to reduce the salaries of the majority of government employes. Reductions of 15 per cent in the salaries of employes increased at the last session of the Assembly and of 10 per cent in the salaries of all others were made. As a consequence of the reduction, school teachers were reported to be threatening a general strike. The budget for the biennial period beginning July 1, as finally approved by President Arosemena and his Cabinet on June 22, was fixed at \$17,000,000, exceeding by \$3,000,000 the previous biennial budget. The largest item of expense is \$4,126,174, for the national debt service; the Department of Government and Justice, which includes the national police, gets \$3,768,943 and the Department of Public Instruction receives \$3,327,937. The principal sources of estimated revenues are customs receipts and other commercial taxes, \$3,000,000, and the liquor and tobacco taxes the same amount. More than \$2,000,000 is expected from the national lottery and the annuity from the United States for the Panama Canal amounts to \$500,000.

CUBA—A nation-wide program for the building of aqueducts, sewerage and paving was announced by the Cuban Public Works Department on June 8. The efforts of the department are to be directed toward completing the national central highway, beautifying and extending the National Capitol, constructing buildings for government offices, public schools, universities and international law libraries and works for the improvement of ports, consisting of dredging and construction of docks in connection with railway lines. The department considers, as especially important, the building of aqueducts and directed attention to a seven-mile aqueduct that is under construction at Santiago de Cuba as well as others at cities in the interior.

Latin-American Harmony as Result of Boundary Agreements

By HENRY GRATTAN DOYLE

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THE "substitution of reason for force" and "the settlement through arbitrations or adjudications of such problems as international boundary disputes involving sovereignty over great areas and populations," referred to by former President Coolidge in his speech some years ago at the dedication of the statue of San Martín as characteristic of the history of the Latin-American nations, continue to make gratifying progress in South America. Not only has the accord negotiated by Chile and Peru for the settlement of the Tacna-Arica question been ratified by the respective congresses, but substantial progress has also been made in the adjustment of the dispute between Bolivia and Paraguay over the Gran Chaco.

In view of certain ideas as to the Latin-American countries often encountered among our own countrymen, it may not be out of place to refer to the admirable record of peaceful solution of such questions made by the nations of South America, from the settlement in 1878 (through the offices of President Hayes) of a boundary dispute between Argentina and Paraguay, to the present—a record which includes in addition to others the adjustment of the boundary between Venezuela and British Guiana during President Cleveland's Administration and the glorious chapter in the histories of Argentina and Chile that is commemorated in the magnificent monument, "The Christ of the Andes," cast from the metal of once hostile cannon and erected at the summit of the Uspallata Pass as a perpetual pledge of peace. The Tacna-Arica accord completes another chapter while still another apparently is well under way in the

negotiations in regard to the Gran Chaco.

Final ratification of the Tacna-Arica accord came almost within a month of its signing in Lima on June 3. On July 1 the treaty was approved by the Chilean Senate; on July 2 (in joint session) by the Peruvian Congress, and on July 4 by the Chilean Chamber of Deputies. Action in each case was by majorities so large as to be almost unanimous. The vote in the Peruvian Congress was 125 to 1 and in the Chilean Chamber by 71 to 8, with 1 abstention. The treaty comes into effect within thirty days after formal exchange of ratifications. To that end Gonzalo Robles, president of the Chilean commission in charge of delivering Tacna to Peru, sailed for Arica on June 27 to make arrangements for the transfer. The Chilean Government also announced that the district of Arica would not be attached to the Province of Tarapaca but would remain as a separate province.

Manifestations of rejoicing and approval continue in both countries. The single opponent of the settlement in the Peruvian Congress, Senator Enrique de la Piedra, was so nettled by adverse criticism of his vote by Deputy Celestino Manchego Muñoz that he challenged the latter to a duel, which took place on July 7. Fortunately neither was injured by the single shot each fired. The celebration in Peru was linked in a most pleasant way with the United States; not only was the Order of the Sun voted to our Ambassador, Alexander P. Moore, but he was the guest of honor at a dinner given in the name of the President. President Augusto B. Leguía also by Presidential decree declared July 4 a Peruvian national holiday, commemorating at the same time the

signing of the Declaration of Independence and the tenth anniversary of his assumption of office. On July 4 the President officially signed the ratification by the Congress of the Kellogg-Briand multilateral treaty and—most remarkable from the standpoint of contemporary civilization—pitched the first ball in a baseball game between teams representing Lima and Cerro de Pasco.

Chile also greeted the settlement of the dispute in noteworthy fashion. On July 6 a huge parade was held in Santiago, in which the flags of Peru and Chile were carried side by side for the first time in more than half a century. Chilean veterans of the war of 1879 marched with Peruvian citizens in a great demonstration. In the evening a nation-wide banquet was held, some 100,000 persons attending dinners held simultaneously in 200 places. A fitting touch was the request of President Ibáñez that funds collected for the dinners be used for the erection of a monument at Morro, Arica, to symbolize Chilean and Peruvian friendship.

In connection with the official holiday in Peru on July 4, it is worthy of note that our Independence Day is also a national holiday in Uruguay, where it is known as the "Day of Democracy."

Reference has been made to the gratifying progress in the Gran Chaco negotiations. In accordance with the agreement for repatriation of their respective prisoners taken in the border clashes of last Fall, Bolivia and Paraguay have already effected the return of the prisoners to their homes, the exchanges being carried out with the cooperation of the governments of Brazil and Argentina and under the supervision of American military attachés.

With the most irritating immediate problem settled without loss of prestige to either party, the neutral members of the Inter-American Commission of Inquiry and Conciliation, which has been endeavoring since March 13 to establish responsibility for the border affrays, moved to attack the fundamental problem at issue—the territorial dispute as to the Gran Chaco region. Since this was not included in the original protocol, it was necessary to obtain the consent of the two

principals before the neutral members of the commission representing Mexico, Colombia, Cuba, Uruguay and the United States could undertake discussions. The proposal was first put forward orally and then given definite form in an official note of May 31. After much intensive work the proposal was accepted by the governments of Bolivia and Paraguay at a plenary session of the commission on July 2. Under the terms of the accord, the neutral commissioners, as a measure of conciliation, are to prepare a plan for the settlement of the territorial question for submission to the two governments. At the same time the commission is to continue its investigation in an endeavor to fix responsibility for the border clashes of last December.

There is great hope in the situation, even if neither government is in any way bound to accept the decisions of the neutral commissioners, who by agreement must act unofficially and outside the terms of the protocol. As the term of the conciliation agreement ends on Sept. 13, only a relatively brief time remains for effective action; but it does not seem unreasonable to expect that the success of the Tacna-Arica negotiations will be duplicated in the present instance, especially since such a fine example of the beneficent effects of a conciliatory attitude is at hand. All Latin America would doubtless applaud a solution of this problem, as it did the accord between Chile and Peru.

Even if the proposals to be formulated by the neutral commissioners as a basis for agreement should not be acceptable to the principals, there still remains the possibility that the neutral members may induce Bolivia and Paraguay to submit all the questions at issue between them to an arbitral process of some sort. It seems unbelievable that the statesmen of the two countries, in the atmosphere created by the Tacna-Arica accord, and with the support of all the Pan-American countries represented in the recent Conference of Conciliation and Arbitration, can fail to compose their differences without impairment of the national honor and with credit to themselves and to their nations. Even complete failure of present negotia-

tions would not be without hope; for the atmosphere of discussion and conciliation developed in the negotiations cannot help but have good results, ultimately if not immediately.

A dispatch from Rio de Janeiro, dated June 26, states that the Brazilian Foreign Minister, Dr. Octavio Mangabeira, in his annual report for 1928 refers to the gratifying progress that has been made in the demarcation of the national frontiers, mentioning treaties and conventions concluded with Paraguay, Argentina, Venezuela, Colombia and Bolivia. On June 29 it was reported that ratifications had been exchanged between Brazil and Great Britain for the demarcation of the boundary between Brazil and British Guiana. At the same time it was announced that the Foreign Minister was negotiating for the demarcation of the boundaries with French and Dutch Guiana.

ARGENTINA—The supporters and opponents of President Irigoyen (who is the subject of an article by Hugo Wast on Page 869 in this magazine) are still engaged in a struggle to control the Senate. The question immediately at issue is the acceptance of the credentials of Senators-elect Cantoni and Porto of San Juan Province and Lencinas of the Province of Mendoza, both provinces being under Federal intervention at the present time. As the parties are almost evenly divided in the Senate, seating of the three Senators-elect, two of whom are avowed opponents of the President, might lead to loss of control by the "Irigoyenistas," or at least to permanent inability to function. Critics of the President regard the obstructionist tactics of his supporters in preventing a quorum by absenting themselves from the Senate as a blow at constitutional government. The political situation is extremely muddled. In addition to the two provinces mentioned, Federal intervention has also occurred in the Provinces of Santa Fé and Corrientes, and it is rumored that two more provinces, Entre Ríos and San Luis, may also be occupied. In this connection it is pointed out that since the first Irigoyen Administration in 1916 all the thirteen provinces have been

under intervention, and that no less than thirty interventions by the Federal Government have occurred in that period, which includes, of course, the Alvear Administration (1922-28) as well. Intervention may mean merely suspension of certain functions of a province, such as the police power and the operations of the lower courts, or it may mean complete suspension of all provincial functions. Intervention is often accompanied by military occupation by Federal troops. Rosario, in the Province of Santa Fé, has been seriously affected economically by a series of strikes, the latest being a strike of grain handlers and dock-workers. Labor troubles also complicate the political situation in other parts of the country. Opponents of the President also charge him with the wholesale dismissal of government employes and even hold him responsible for the fall in the price of wheat, the excess of imports over exports, and depreciation of the peso. Delay in proceeding with public works and in filling important diplomatic posts, such as the Ambassadorship to the United States, is also put forward in criticism of the President. The problem of relief for agriculture is a vital one in Argentina as it is here.

President Irigoyen was elected in 1928, though he made no formal campaign of any consequence, by an electoral vote of 269 to 138 for his Conservative opponent, Leopoldo Meno. At his first election, in 1916, he received 152 votes to 146 for his Conservative rival. He was the first Radical to be elected to the Presidency, and has been very popular. The President is 76 years old.

On June 13 the President signed a decree setting aside approximately \$2,200,000 for the construction of primary schools and to provide for a school census.

Argentina on July 9 celebrated the 113th anniversary of the establishment at Tucumán of the first Congress and the election of the first President of Argentina.

BOLIVIA—The new Central Bank began operations on July 1 under the managership of Alberto Palacios, former Secretary of the Treasury. The new bank,

which was established in accordance with the recommendations of Professor E. W. Kemmerer, former financial adviser to Bolivia, and which succeeds the Bolivian National Bank, will tend, it is believed, to stabilize the national currency.

BRAZIL—The yellow fever outbreak appears to have abated. Dr. Paul A. Lewis, a member of the staff of the Rockefeller Institute, died of yellow fever in Bahia on June 30. He had been studying the disease in the hope of finding more effective ways of preventing it.

The Brazilian Government maintains sixty-eight posts in the jungles of the interior, where the Indian Protection Service is engaged in teaching the Indians to read and write and in developing agriculture among the Indians.

Police in Rio de Janeiro recently arrested seventy-two persons as alleged Communists, seizing Communist literature in the course of the raid.

CHILE—An agreement has been reached by the Chilean Minister of Finance, Pablo Ramírez, who headed a group of Chilean experts sent to Europe, and leading European producers of nitrates, which it is hoped will result in better marketing facilities and lower prices. An official note issued on June 29 says that the agreement will mean a close collaboration with respect to supply and a reduction in prices, to be made next year. It is understood that future propaganda will favor indiscriminately the nitrate from the Chilean fields and the artificial product manufactured in Europe. American producers are not included in the agreement. It is estimated that about 44 per cent of the production of nitrates in Chile is controlled by American capital. Announcement has recently been made of the conclusion of negotiations between the Guggenheim interests, the leading American producers, and the Lautaro Nitrate Company, a British company representing a consolidation of other companies long in the Chilean field, whereby the Lautaro Company will use the new Guggenheim extraction process, the most effective method of extraction.

President Ibáñez is advocating several

changes in the electoral laws of Chile in order to eliminate the possibility of fraud and to prevent "the election of persons not interested in the nation's welfare." The President has made it clear, however, that he does not advocate any change in the present provision which prohibits re-election of the President. In a message to Congress on July 8, the President proposed votes for women and for foreigners of both sexes in municipal elections.

COLOMBIA—Serious disorders occurred in Bogotá during the week of June 6. Trouble arose because of the dismissal of Luis Augusto Cuervo as Mayor of Bogotá. The latter had summarily removed the managers of the municipal aqueduct and tramway, one of whom was the brother-in-law of the President of Colombia, Dr. Miguel Abadía Méndez. The action of the government in removing the Mayor was protested by the Municipal Council, and was followed by a boycott of the tramways, a student strike and street demonstrations by citizens and students. A demonstration by a large number of sympathizers with the ousted Mayor, reported to number 30,000 persons, was charged by mounted police on June 7, many persons being trampled upon and one, a student, killed. Public opinion became so aroused that the President found it expedient to reorganize the Cabinet and the provincial and municipal administrations in order to prevent further disorders. The resignations of Ignacio Rengifo, Minister of War, and Arturo Hernández, Minister of Public Works, were accordingly accepted, and the President named as their successors Premier Gabriel Rodríguez Diago (provisionally) and Rafael Escallon, respectively. The Governor of the Province of Cundinamarca and the Director-General of Police were replaced and eventually a new Mayor of Bogotá was appointed. The funeral of the youthful victim of the disorders, Bravo Pérez, was the occasion for a vast outpouring of people. Normal conditions again prevail.

The Colombian Agricultural Congress adjourned on July 7 after passing resolutions urging a new tariff based on moderate protectionism, a ministry of agri-

culture, a colonization and farm relief program and the improvement of conditions for farm laborers.

José Antonio Montalvo, Minister of Industry, announced on June 29 that the work of the foreign experts employed by the government to draw up a new petroleum law had been completed after about two months' work. Details of the proposed new law were not announced. The experts included two Americans, H. Foster Bain and J. W. Steele, and one representative each from England, Mexico and Rumania.

ECUADOR—Dr. Romero Viteri Lafrontera was named as Minister to Washington on June 12.

On July 3 President Isidro Ayora signed a decree providing for support by his government of the Gorgas Memorial Laboratory for Tropical Research, opened at Balboa, Panama, on April 2. The laboratory will be maintained by quota payments from the various countries.

PERU—It is reported that the Presidential elections will be held in August.

A decree signed by the President on June 22 prohibits the teaching of doctrines opposed to the State religion in official or private establishments. Text-books used for moral and religious education must be approved by the Ministry of Education.

Under agreement reached by the two countries United States citizens of the non-immigrant class will not be required to obtain visas in order to enter Peru.

The Fiscal Accounting Department has announced that the Peruvian national income for 1928 amounted to 12,198,000 libras (Peruvian pounds), or approximately \$48,792,000. Expenditures were 12,075,000 libras, leaving a surplus of approximately 123,000 libras, or about

\$492,000. The income for the year had been estimated at 11,113,650 libras.

URUGUAY—Gabriel Terra, national counselor, has presented to the National Council the administration's project for an external loan of \$75,000,000 at 5½ per cent interest, to provide for retirement of the floating debt, which amounts to \$7,000,000 external and \$77,000,000 internal.

Dr. Jacoba Varela, Minister from Uruguay, has transmitted a note to our Department of State pointing out the effects of the proposed new tariff upon his country. The adoption of tariff rates that will keep out the products of South America will undo much that was accomplished by the Hoover "good-will tour," Dr. Varela is quoted as saying.

VENEZUELA—Under the amended Constitution of Venezuela, which has been ratified by the twenty States of the republic, the office of Commander-in-Chief of the army, held by former President Gomez, has been made a constitutional office to be filled by Congress at the same time and for the same term as the Presidency. Certain of the President's functions may be exercised only in conjunction with the Commander-in-Chief; these include the appointment and removal of Cabinet Ministers, the power to declare war, authority to convoke Congress in special session, authority to suspend civil rights when necessary and other powers incident to a state of war or rebellion. The Commander-in-Chief is to be head of all national armed forces, on land, on sea or in the air, with authority to fix the number of each. The amendment, introduced on May 13, passed both Houses, was ratified by all the Legislatures and was promulgated within sixteen days, the new President and Commander-in-Chief being elected on May 30.

Venezuelan Revolutionists Capture Dutch Colonial Capital

AN international episode with traces of mad adventure that would have been worthy of the pen of Richard Harding Davis or O. Henry was the daring seizure of Willemstad, capital of the

island of Curacao, a Dutch possession lying some forty miles off the coast of Venezuela, by Venezuelan revolutionists under the command of General Rafael Urbina on June 8. According to a com-

muniqué issued by the Dutch Government, the attacking forces were made up of "foreign elements" who had come to Willemstad on legitimate passports, supplemented by Venezuelans residing in Curaçoa. Having overpowered the military police by a surprise attack, they captured the Governor and the commander of the troops, forced them to aid in obtaining clearance for the American steamer Maracaibo, which they had seized, and then compelled the captain of the Maracaibo to convey them, their hostages and their plunder of arms and ammunition to the Venezuelan coast, where they landed at La Vela, allowing the Dutch hostages to return on the steamer to Willemstad. General Urbina attempted to capture the town of Coro, capital of the Province of Falcón, but was repulsed, and according to latest advices his capture seemed to be imminent.

In the meantime the Dutch Government was very much exercised at the revelation that the rich colony, with its important oil refinery and thriving interna-

tional commerce, was apparently at the mercy of filibusters. Cruisers were rushed to the scene and arrangements were made for adequate garrisoning of Willemstad. M. Fruytier, the Dutch Governor, offered to resign if his conduct during the raid were not approved by his government, while an unconfirmed report from Colón alleged that the Dutch had executed a number of persons for their part in the raid.

On June 24 General José Rafael Gabaldón, leader of another group of revolutionists, was captured at La Sabanita, in the State of Zamora, ending the revolutionary movement in Southwest Venezuela. It was reported that General Urbina and General Gabaldón were working together. In any case, there is at this writing an almost complete cessation of revolutionary activity, although opponents of the government claim that the outbreaks are symptomatic and that ultimately a successful revolution against General Gómez and his successor, President Pérez, will occur.

THE BRITISH EMPIRE

British Labor Government Announces Its Policies

By RALSTON HAYDEN

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THE vigorous execution of many of the pre-election policies of his party, tempered by adherence to the well established fundamental principles and practices of the British Government, was foreshadowed by Prime Minister Ramsay MacDonald at the opening of the new Parliament. This course, dictated by the fact that the Labor party does not command a clear majority in the House of Commons and assured by the character of the Premier and his Cabinet, was definitely announced in the speech from the throne on July 3 and during the subsequent debate. The general satisfaction with which Mr. MacDonald's policy was

received in the country and the attitude of the two opposition parties indicated that victorious Labor would be given every opportunity to make its peculiar contribution to the solution of the problems which face the British people today.

Not unnaturally, the new government was most explicit in its announcements concerning foreign policy. It is in this field that concrete results can probably be most easily obtained, and it is with reference to foreign relations that Mr. MacDonald's program commands the most general support, both within and without his party. The Labor policy, as outlined in the King's speech, includes four main

purposes—to secure an agreement with the United States regarding naval disarmament which may lead to or encourage reduction of all armaments throughout the world; the adoption by Great Britain of the optional clause of the statute of the World Court which makes it obligatory to accept the jurisdiction of the court in all international legal disputes in which a signatory nation might become involved; the prompt adoption of the Young reparation plan and the early evacuation of the Rhineland; the resumption of diplomatic relations with Russia.

The Conservative and the Liberal leaders indicated that they would not seek to put the new government to the test of a vote of confidence upon the principle of any of these policies. Concerning the details of their application there will, of course, be much debate. It seemed evident that the Premier's plan to make Anglo-American understanding the practical basis of world peace and disarmament had caught the national fancy, both within and without the House of Commons. The reiteration of his hopes to visit the United States commanded wide approval, and the conferences which he had already had with Mr. Dawes, the new American Ambassador, had awakened the expectation that definite accomplishments would be secured in this direction. In discussing the question of reparations, Mr. MacDonald, his attention having been called to the recent statements of Philip Snowden, the present Chancellor of the Exchequer, concerning the disadvantages of the arrangements under the Balfour note, declared: "We shall go back on none of our contracts. No one said we would."

In the domestic field it had been generally recognized that the outcome of the election meant a return to free trade for Great Britain, both the Liberal and Labor parties having stood for this policy. In his speech upon the address, Mr. MacDonald definitely stated that the people had overwhelmingly declared themselves as against protective duties and announced that the existing safeguarding duties would not be renewed when they expired, and that they might be repealed at an earlier date.

Prompt action in two matters in which the trade union supporters of the new government are especially interested was indicated by the announcement that bills would be introduced in the near future to amend the trades disputes and trades unions act of 1927, and the widows' and orphans' contributory pensions act. Acute feeling has existed over the former measure, which makes illegal strikes to coerce the government or intimidate the people, and regulates the conditions under which the members of unions may be called upon to contribute for political purposes.

Concerning the outstanding domestic problem of Great Britain, unemployment, the policies of the new government were less definite, although the King's speech declared that the solution of this question would be "the foremost endeavor" of his Ministers. The government, it was further stated, "has under consideration the reorganization of the coal industry, including hours and other factors, and of the ownership of minerals." It was also stated that schemes were being considered for the stimulation of the export trade, the stimulation of transport, the economic development of the overseas dependencies, the improvement of agriculture and fisheries with special reference to marketing conditions. Inquiries were to be undertaken immediately into the conditions of the cotton, steel and iron industries.

Two announcements of policy in the general field aroused widespread interest. One was that a commission would be appointed to "investigate the whole field of legislation relating to the sale and supply of intoxicating liquor"; the other, that there would be an investigation into the law governing Parliamentary elections. In his initial speech in the House Mr. MacDonald intimated that the use of great political funds, such as those which have been accumulated by Mr. Lloyd George, would be given special scrutiny.

The British press has made it evident that on the whole the country is well satisfied with the outcome of the general election and the manner in which the new Labor Government has taken up the reins of power. Although assuming that he has received a mandate from the people and intending to exercise it vigorously, Mr.

MacDonald has made it plain that he recognizes the limitations under which his party holds office. In speaking to the address, he said to the House of Commons: "I should like you to consider that as far as possible our work will be done in a spirit of consultation and as little as possible in the spirit of rivals fighting. We recognize quite frankly that we have only a minority of the House if the other sections combine to defeat us." In spite of the limitations thus imposed, the government has proceeded promptly and vigorously about its business. In consulting with the Dominion governments concerning the recognition of Russia and the accession to the optional World Court clause, imperial solidarity of action upon these important measures has been practically assured, and the processes of inter-imperial relations further defined by use. The announcement that J. H. Thomas, the Minister specially charged with the solution of the unemployment problem, would visit Canada to discuss the possibilities of inter-imperial migration was well received on both sides of the Atlantic.

The general sentiment of the country seems to be that, having won a notable victory at the polls, Labor should receive "fair play" to show what it can do for Great Britain and for the great cause of world peace. On the other hand, it is definitely understood that there will be



NOTHING DOING

—Punch, London

no overturning of established institutions of a fundamental nature. The unanimous re-election of Captain E. A. Fitzroy, the Conservative who was Speaker of the House of Commons in the last Parliament, was, perhaps, symbolical of all of this. The left wing of the Labor party may become restive, as, indeed, is already the case, but, although "socialism in our time" may still be the purpose of Labor, it is evident that there will be no effort to take any radical steps in that direction during this Parliament.

Other Events in the British Empire

GREAT BRITAIN—On June 11, by royal proclamation, King George re-constituted the Council of State which had been created to exercise many of the powers of the Crown during his illness and reduced the scope of action of that body. Owing to the change in the government,

Mr. MacDonald and Sir John Sankey, the new Lord Chancellor, replaced Mr. Stanley Baldwin and Lord Hailsham on the council. The proclamation declared that the restriction in the powers previously assigned to the council was due to the fact that the King had so far recovered as to

be able to exercise these functions himself. On Sunday, July 7, a national service of thanksgiving for the recovery of the King was held in St. Paul's Cathedral.

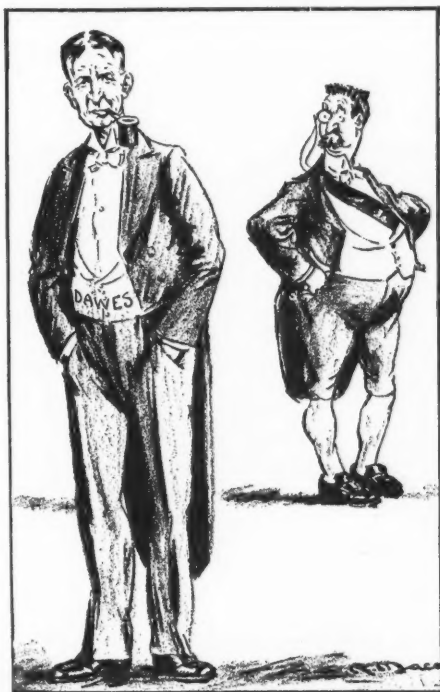
Among the names included in the "dissolution honors list" which attracted most attention in England were those of Sir William Joynson-Hicks, Home Secretary in the Baldwin Government, who became Viscount Brentford, and of Sidney Webb, who became Lord Passfield. Lord Brentford was one of the most vigorous and picturesque members of the Conservative government and was generally believed to have caused the defeat of the Prayer Book revision bill by his personal fight against that measure in the House of Commons. Lord Passfield, one of the leading exponents of Fabian socialism and an outstanding organizer of the present day British Labor movement, is the new Secretary for the Dominions and Colonies. The necessity of strengthening Labor representation in the House of Lords explains the acceptance of a peerage by Mr. Webb. His wife and literary collaborator,

Beatrice Webb, however, announced that she would not take the title of Lady Passfield, the first case on record in British history of a woman's refusing such an honor.

IRELAND—In a by-election believed to have been of great political significance Eamon Donnelly, Sinn Fein candidate, was decisively defeated in the Leitrim-Sligo constituency by General Mac-eion, the standard bearer of the Cosgrave government. The outstanding issue in the election was the proposal of Eamon de Valera and his followers to repudiate the annuities on Irish land stock held in Great Britain. President Cosgrave and his Cabinet declared that such a course would amount to "an act of national embezzlement." Upon this issue the Catholic clergy supported the government. The defeat of the Sinn Fein candidate was further contributed to by a suggestion from Mr. de Valera that a moderate land tax might be imposed to pay the annuities in case the obligations under them were to be assumed by the State.

Charles Bewley, member of a prominent Dublin mercantile family and a recent convert to the Roman Catholic Church from the Society of Friends, has been appointed the first diplomatic representative of the Irish Free State accredited to the Vatican City. Mr. Bewley is an Oxford graduate and a barrister of distinction.

SOUTH AFRICA—In a general election which many observers believe will be of momentous importance in the history of South Africa, the Nationalist party on June 12 won a decisive victory and obtained a clear majority in the Legislative Assembly of the Union. With most of the seats accounted for, the composition of the new Assembly will be as follows: Nationalists, 71; South African party, 50; Cresswell (Government) Laborites, 5; National Council Laborites, 3. The voting showed that while General Jan Smuts carried the coast districts, where British stock predominates among the voters, by large majorities, he failed to carry the hinterland or to win the suffrages of many South Africans of Dutch



THE LEG OF NATIONS
—The Brooklyn Daily Eagle

descent. The result of the election, therefore, is to accentuate a cleavage the gradual growth of which has caused great concern throughout the British Empire.

The division, apparently, is between the Dutch and the British. The former, now victorious, have proposed to weaken the imperial connection, grant no special privileges to British trade and take no steps toward the extension of political rights to the native black citizens of the Union.

The new Hertzog Cabinet, announced shortly after the election, contained two new names which were well received by all elements in the country. Mr. Pirow, who succeeded Tielman Roos as Minister of Justice, is a barrister of standing, a younger man who is believed to have liberal and progressive principles. Concerning the appointment of E. G. Jansen as Minister of Native Affairs, the correspondent of the *London Times* wrote as follows:

Mr. Jansen was a genuine success as Speaker of the House of Assembly—dignified, impartial, conscientious. He is intensely serious-minded, a hard worker, and personally most popular. It is almost a stroke of genius for General Hertzog to transfer the portfolio of Native Affairs to him, for it opens out the possibility of a non-party treatment of the native problem, which would have been impossible for General Hertzog. The native riots in Durban have made a sinister impression, and

there is a general feeling that they are the reaction from General Hertzog's success, the natives feeling that there is no hope of sympathetic treatment from the victorious government. Even in Cape Town violent speeches were made at a native open-air meeting, active rebellion being expressly advocated.

Mr. Jansen's appointment changes a threatening situation. The *Cape Times* suggests that he should begin by touring the native parts of the Union and consulting with magistrates and others who are active in administering such districts. Whether he does this or not, he has a reputation for fair-mindedness, while he has a personal knowledge from his youth upward of the Natal natives. The lack of such knowledge has been General Hertzog's chief handicap. This new appointment alone would make the reconstitution of the Cabinet noteworthy, and there is a hope that the possibility of grave native trouble, which is perceptible on the near horizon of South Africa, may now disperse.

The constitution of the new Cabinet is as follows:

General J. B. HERTZOG—Prime Minister and Minister of External Affairs.
E. G. JANSEN—Minister of Native Affairs.
F. W. BEYERS—Mines and Industries.
C. W. MALAN—Railways and Harbors.
O. PIROW, K. C.—Justice.
DR. D. F. MALAN—Interior, Public Health and Education.
P. G. GROBLER—Lands.
H. W. SAMPSON—Public Works, Posts and Telegraphs.
N. C. HAVENGA—Finance.
General J. C. KEMP—Agriculture.
Colonel F. H. CRESWELL—Defense and Labor.

FRANCE AND BELGIUM

France's Debts to the United States and Great Britain

By RAYMOND TURNER

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AS in international relations recently the most important matter concerning France has been revision of the Dawes plan and arrangement of the Young plan to settle German indemnity payments, so France's own particular problem has had to do with ratifying the agreement to pay the loans from the United States, which implies also payment of those from Great Britain, since that

power informed France that she expects payments to herself *pari passu* with payments to the United States. To take advantage of the American agreement to merge the \$400,000,000 war stocks obligation in the war loans debt it is necessary to settle the matter by Aug. 1.

M. Poincaré, some of his supporters and some of his opponents favored ratification of the Mellon-Bérenger agreement of

1926, accepted by the United States, but never finally accepted by France. They believed that thus not only would French finances be finally stabilized and French credit maintained, but that a debt of honor should be honorably discharged. To this policy, however, strong opposition persisted, and in the course of heated discussions the Premier's strength and prestige, already weakened by various other factors, declined until continuance of his Ministry was threatened. The deep feeling engendered was evident on July 4, which readers may remember was made a national holiday of France in 1917. Everywhere were decorations on the public buildings with a profusion of American flags, and French government officials and many others took part in celebrations, but tense feeling was the more evident because of the general care to keep it unexpressed. According to the conservative *Liberté*, "while we celebrate the anniversary of American independence, our own independence is imperilled." On the other hand, M. Chéron, Minister of Finance, at the banquet of the American Chamber of Commerce, hoping that the question might be settled with traditional loyalty and frankness, said that France would always remember how in her greatest difficulty the United States gave aid with money and men: "France will never forget what you did for us."

Debate and discussion about ratification, under what circumstances, with what reservations, went on feverishly, and in much uncertainty and confusion, during the latter part of June and the earlier days of July. In the Chamber of Deputies on June 4 the Premier proposed that full debate begin on June 25 on the French debt agreements with America and Great Britain. His proposal was accepted by 321 to 249 votes. Deep interest was shown as to whether ratification if decided should be by government decree or by vote of the Chambers. M. Renaudel, a Socialist deputy, quoted Article VIII of the French Constitution: "Treaties which engage the finances of the State are not definite until after they have been voted by the two Chambers." M. Poincaré replied that proper procedure was disputable and was being considered; that eminent jurists be-

lieved ratification could be effective by decree; but that the government would not issue such decree without agreement of the Chambers, and that full debate would take place before any decision.

In an interview on June 12 Joseph Cailaux, so often before opposed to Poincaré, urged early ratification of the Franco-British and the Franco-American debt accords. He declared it impossible at present to obtain better terms from Washington, and very desirable to avoid paying in August the sum due for the war stocks. At the same time he believed the unfavorable attitude of Philip Snowden toward France indicated that less favorable terms from Great Britain might have to be taken if the present opportunity were allowed to slip by. A few days later, in the periodical *Capital*, he repeated his plea, asserting that the United States had forgiven France 51 per cent of her debt and Great Britain 53 per cent in the settlements arranged. The Finance Commission of the Chamber of Deputies on June 13 rejected the idea of ratifying by decree. M. Stern, Secretary of the Foreign Affairs Commission, expressed the opinion that ratifying the Washington agreement would bring better relations between France and the United States, and would forward restoration of the international credit of France, but he recommended parliamentary ratification only with safeguards against France having to pay if Germany under the Young plan failed to fulfill her obligations. The Finance and Foreign Affairs Commissions were informed on June 17 that the Premier wished debate on ratifying the Mellon-Bérenger agreement to begin two days later, and hoped for sanction by the end of the month.

The situation became very difficult and confused. Frenchmen generally believed that the Young plan for reparation payments should be accepted by the governments concerned before the French Parliament risked ratifying debt accords with the United States and Great Britain, and that the Young plan should be in successful operation before evacuation of the occupied Rhineland. Meanwhile, the Germans and their supporters were more insistent that evacuation should follow im-

mediately on acceptance of the Young plan by themselves, and seemed to expect such a promise as a condition of their acceptance. It became increasingly probable that no vote was to be expected in the Chamber before the end of the first week in July, after which the Premier would certainly think it necessary to give detailed explanations to the commissions of the Senate as he had done to the similar groups in the Chamber.

In *Le Journal* on June 21, M. Bérenger told his countrymen that in the settlement he negotiated he had obtained for France reduction of 60 per cent of the American claims. He had induced the United States to calculate arrears of interest at 3 per cent instead of 5, such payments to cease in 1926. He then obtained reduction of the rate of future interest from 5 to 2 per cent for sixty-two years. Thus the present value of the debt was brought to \$1,680,000,000. If the agreement were not ratified, then on Aug. 1 France would be obligated for \$4,940,000,000. To Great Britain about the same amount would have to be paid, so that in all the obligations would be 246,000,000,000 francs.

None the less, most Frenchmen had long thought the United States would not finally insist on payment, so that with declining prospect of what Germany would pay France the outlook seemed very dreary. The National Federation of Former Combatants planned a great procession, like the demonstration of 1926, when French veterans solemnly protested against the debt agreements. On June 23 a small procession marched to the Arc de Triomphe. Two days later, on interpellation about incidents which marked the demonstration, the government's majority fell to a scant 25.

The Chamber, despite warning of probable failure, on June 27, insisted that the Premier try again to persuade the American Government to allow postponement beyond Aug. 1 of payment for the war stocks, thus making more likely a delay in ratifying the debt accords until after the Young reparation plan had been accepted by all the interested powers. During the debate M. Franklin Bouillon said that sanction must follow ratification of the Young plan. "Otherwise we will be dupes

again as we were when we ratified the Treaty of Versailles." France's 1,500,000 dead and her debt of nearly \$11,000,000,000 gave her the right to request further time. When the request was presented in Washington by M. Claudel, the French Ambassador, the United States Government, lacking assent of Congress, was compelled to refuse. Thereupon bitterness increased in Paris, but during the second week in July it seemed probable that a majority in the Chamber would vote for ratification, although it was a question whether the Poincaré Ministry could endure if it continued to insist on ratification without reservation. In fact, on July 10 a vote taken in the Foreign Affairs Commission was 15 to 4 in favor of reservations to the effect that France should never be called upon to pay more in debt settlements than she receives in reparations from Germany. In the meantime, on July 11 and 12, debate over the question of reservations began in the Chamber, Premier Poincaré in a two-day speech presenting the case of the government. On July 16 Poincaré was upheld and his opponents routed when a motion of Louis Dubois to postpone the discussion until reparations had been generally settled, was defeated by 304 to 239. Another motion by the opposition was withdrawn. These two incidents considerably brightened prospects for ratification of the debt.

Qualifications with respect to the prosperity of France have recently been noted. For some months an unfavorable trade balance has been recorded, due partly, it is thought, to mounting customs barriers, and partly to decline in the tourist traffic. Hence the proposed new American tariff is viewed with anxiety and dislike. Hence, also, hotel keepers and proprietors of shops have been urging a fund for advertising and propaganda to attract tourists now going to England, Germany and elsewhere. With such declines, and in the absence of any great industrial boom, the shortage of labor, often spoken of as the best evidence of all-pervading prosperity, is by some cited as evidence of the country's weakness. That shortage is said to result from gradual elimination of the older French workers who took the place of soldiers during the war and from the

resultant decline of births then and ensuing failure of the normal number of workers to appear now in the market, a consequence that will attain its maximum perhaps in 1934 and 1935.

A French detachment on June 9 was overwhelmed and a post besieged in the central district of the Great Atlas Mountains in Morocco. The post of Ait Yakoub was surrounded by 3,000 well-armed tribesmen. Only meager information has been published, and probably the government has only scant information. While such trouble in Morocco can always be formidable if not at once crushed, there seems in this case to be no connection with the recent war in the Riff, since the seat of this trouble is far from the theatre of that war, and since the Atlas tribesmen remained quiet during that struggle.

Interest in Alsace has continued, many Frenchmen being convinced that German influence inspires the autonomist movement. A cartoon in *Le Rire* shows the German steel helmets just behind Alsatian leaders and priests. There was alarm when Deputy Philippe Roos, President of the Alsatian *Landespartei*, charged with part in a secession plot, was acquitted in the court at Besançon, thus in effect reversing the verdict given in a like case at Colmar in 1928. Yet in consequence, perhaps, the French Cabinet on June 25 submitted to Parliament a bill providing complete amnesty to all involved in the autonomist movements. The conservative papers do not cease to be exercised over the doings and sayings of the Abbé Haegy. They also continue to call attention to what they consider German propaganda. A Baden priest has spoken of "dear Alsace, whose soul is essentially German." Regularly in Berlin appears the *Elsass-Lothringen Heimatstimmen* (Home Voices of Alsace-Lorraine).

On July 8 Georges Benoit, an Alsatian autonomist, who attempted last December to assassinate Attorney Fachot for his prosecution of Alsatian autonomists, was acquitted. M. Fachot himself pleaded that Benoit be declared "not guilty," saying: "Why strike down the arm while the head remains in the shadows?"

To restrict the number of successful women candidates, the Prefecture of the

Seine has announced competitive examinations for male clerks to be given in advance of those which women may take.

BELGIUM—The recent Belgian elections were discussed in July *CURRENT HISTORY*, but perhaps without sufficient attention to an aspect considered by some the most interesting result. While the Catholics and the Socialists had slight losses and the Liberals some gains, at the same time that the Communists disappeared from the Parliament altogether, the Flemish Nationalists, who appeared as a political party as recently as 1919, had considerable gains and effected entrance into the Senate. Flemish Nationalism will probably have further effects of growing importance. On the one hand the Nationalists may enlarge their numbers. On the other hand the Flamissant members of the principal political parties may attempt to bring about reforms satisfactory to Flemish public opinion. During the election campaign the Belgian bishops tried to deter Catholic voters from supporting Nationalist candidates. In West Flanders a declaration to this effect was read from all the pulpits, and it said: "Remember that one day you will have to account to the Supreme Judge for the vote you will cast next Sunday."

Publication of the correspondence between Belgium and Holland on the Scheldt question shows the legal side of the Belgian case to be weak. The Dutch Government could declare that all questions regarding the navigation of the river were settled by treaty in 1839, and that the treaty had been observed by them. What Belgians actually want is moderation of the existing treaty. To make Antwerp a satisfactory port they believe necessary improved communications with the Rhine and the sea. In 1925 Dutch Ministers agreed to a canal between Moerdijk and Antwerp, but the Dutch Senate rejected the draft treaty embodying this "profound artificial modification" of the economic position of Antwerp. All that the Dutch now offer is further dredging of the existing channels, which would, of course, improve the situation, but almost certainly fail to restore the commerce Antwerp has seen slipping away.

THE TEUTONIC COUNTRIES

Prussia's New Treaty With the Holy See

By HARRY I. CARMAN

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and

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A STATE treaty regulating the relations between the State of Prussia and the Holy See was signed on June 14 by Dr. Otto Braun, the Prussian Premier, and Mgr. Eugene Pacelli, Papal Nuncio. The announcement of the Prussian Government did not refer to the treaty as a "concordat," but declared that the new accord attempted to bring the concordat of 1821 into harmony with post-war conditions, and that no sovereign right of the State is violated by it.

The Prussian Diet on July 9, by a vote of 243 against 172, approved this "solemn convention." By its terms Cologne, Breslau and Paderborn become Archbishops. Berlin and Aachen will seat two new Bishops. The treaty provides that no one shall be appointed to an ecclesiastical post unless he is a German citizen, possesses the German equivalent of a matriculation certificate and has completed at least a three-year course at a German State university, at one of the seminaries specified in the treaty or at a papal seminary in Rome. The measure also regulates the appointment of Bishops. According to its terms local chapters and Bishops will submit lists to the Pope, who will select three candidates from whom the chapters will then elect one by secret vote. The Holy See agrees not to select candidates until the chapters have assured themselves that the Prussian Government, for political reasons, is not opposed to the possible appointments. The treaty is silent on the subject of religious teachings, the arrangement for which, in the concordat concluded between Bavaria and the Holy See, was the basis of extended criticism.

By the provisions of the treaty Prussia

doubles its endowment for the administration of the Catholic Church, raising the previous sum of 1,400,000 marks to 2,800,000 marks (about \$672,000). Prussia will continue to pay the salaries of the Catholic clergy, which now total 21,000,000 marks (about \$5,040,000) annually. The evangelical State churches at present draw a State subvention of 5,300,000 marks (about \$1,272,000) for administrative purposes and slightly more than 50,000,000 marks (approximately \$12,000,000) for the clergy's salaries. The Prussian Government has indicated its willingness to negotiate an equally advantageous treaty with the evangelical churches.

The ratification of the treaty by the Diet was opposed by the Nationalists, the People's party, the Communists and scattered groups. It was assured a safe majority when the present Prussian coalition, comprising the Socialists, Centrists and Democrats, decided to keep the present three-party bloc intact over the issue, which nevertheless found considerable opposition in the ranks of the Socialists and Democrats. Premier Braun was chiefly responsible for overcoming the opposition in the two Liberal parties which constitute an overwhelming majority in the present coalition. Difficulties were also presented by the attitude of the official evangelical synod and the numerous Protestant bodies which have a numerical preponderance among the population of Prussia. Despite the Premier's announced readiness to negotiate a similar treaty to govern their relations with the State of Prussia, it is doubtful if such a pact can be drafted and ratified before the Summer recess of the Diet.

Germany observed June 28 as a "day of mourning" throughout the republic. The demonstrations culminated in Berlin at night time with mass meetings in the Stadium and Reichstag Hall as protests against the peace treaty signed at Versailles on June 28, 1919, and what was styled the "war guilt lie." The flares of thousands of torches lit up the great central field of the stadium, while 50,000 persons stood in impressive silence as a resolution demanding revision of the treaty and protesting against the putting of the blame on Germany was read. Gray-garbed members of the Stahlhelm organization and black and white uniformed corps of cadets formed a solid mass, over which floated rows of black, white and red imperial banners and the black-crossed white flags of Prussia. The strains of *Deutschland über Alles* and other national airs sounded over the field. The public meeting in the Reichstag building adopted a long resolution charging that the German nation still suffered moral ostracism as the result of the Versailles Treaty, which remains the greatest obstacle to international understanding. The resolution said in part: "The nation demands the calling of an international commission of experts to give an impartial verdict on responsibility for the World War." University students in Berlin clashed with police and eleven were arrested for obstructing traffic. Otherwise no violence was reported. Berlin newspapers were draped with borders of heavy black as a sign of mourning. A great sky sign in the west end of Berlin urged citizens to unite in repudiating the "war guilt lie." As one of Germany's signatories to the treaty, Chancellor Mueller contributed an article to the *Vossische Zeitung* in which he said the moments of signing were the most terrible of his life. President von Hindenburg attended the special evening service in the Protestant Cathedral of Berlin, where Pastor Burghart preached on a text of St. Paul's, "We are troubled, yet unafraid; we are oppressed, yet do not perish." The preacher declared that the "war guilt lie" prevented all efforts of reconciliation between the nations, but he was confident that justice would finally triumph.

The failure of the Reichstag on June 27 to renew the law for the defense of the republic prompted predictions of the return of the ex-Kaiser. The law expired on July 22 and since its extension required a change in the Constitution a two-thirds majority was necessary. The majority of 263 against 166 was not sufficient. A provision in the law that thus ceased to be in force made residence in Germany by the former ruler dependent on sanction by the Republican government. As a private German citizen he is entitled, even under the defense law, to enter Germany, assuming he should decide to violate his pledge to the Dutch Government and to take the further risk of being ejected from German soil if the federal government viewed his presence as inimical to the safety of the State. He could make formal application for entry into Germany, and if permission were refused he would have the right to appeal, under his rights as a German citizen, to the Federal Supreme Court at Leipzig. In the ranks of his former adherents, however, he is, inquiry indicates, plainly not wanted now or later, and it is asserted in the same quarters that he has no intention of coming, especially as he would be compelled to ask the Republican régime for permission. "The former Kaiser some day may come back, but it will be only when the German people repent and beckon him," was the view expressed in one Nationalist stronghold, where it was further stressed that the former monarch's presence would only be a source of embarrassment. Government leaders do not consider that the cessation of the defense law affords him a loophole for return. The government still has effective constitutional weapons to counter an unexpected attempt on his part to cross the frontier. Although official quarters admit that as a private citizen he may return, and incidentally point to the return of the former Crown Prince as a precedent, Article 48 of the Constitution permits a sufficiently expansive interpretation for the prompt stopping of such an event. Reichstag circles were equally ready to dismiss the notion that the defeat of the defense law removes the last barrier to the ex-Kaiser's return and virtually all parliamentary groups concur

in dismissing the issue as idle speculation.

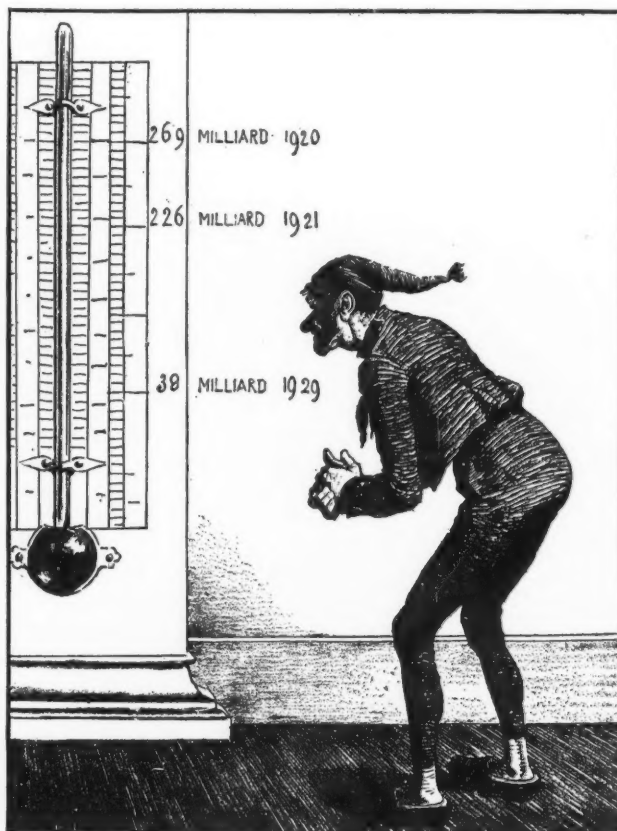
Final figures for the fiscal year ended March 31, 1928, were published by the Ministry of Finance on June 28, showing that the ordinary budget revenue totaled 10,277,600,000 marks (about \$2,466,624,000), and expenditures 10,231,100,000 marks (about \$2,455,464,000), leaving a surplus of 48,500,000 marks (about \$11,160,000). The extraordinary revenue totaled 216,800,000 marks (about \$52,032,000), and extraordinary expenditures 1,121,300,000 marks (about \$269,112,000), leaving a deficit of 904,500,000 marks (about \$217,080,000). The estimate for extraordinary revenue was 870,400,000 marks and for extraordinary expenditure 401,400,000 marks. Germany's floating debt at the end of March totaled 990,000,000 marks (about \$237,600,000) and her total indebtedness had increased to 7,947,900,000 marks (about \$1,907,496,000).

Answering criticism leveled at the government for its failure to achieve better success with the flotation of the internal loan of 300,000,000 marks (about \$72,000,000), Dr. Rudolf Hilferding, Minister of Finance, told the Reichstag budget committee on June 12 that the government decided on the internal loan only after it had been assured by banking experts that such a loan was bound to be a success in view of the attractive conditions under which it had been offered for sale. "For reasons connected with reparations," the Minister told the committee, "we were unable to get a loan abroad, and as we were in urgent need of funds to cover the 120,000,000 marks advanced to us by Berlin banks, we decided to offer to the German people a loan which we believed would be attractive. Al-

though only 177,000,000 marks (about \$42,480,000) out of the 300,000,000 offered had been underwritten, these proceeds will meet our immediate needs, and to this extent the loan has served its function."

Hans Delbrueck, an outstanding German war historian, died on July 15.

AUSTRIA—Aristide Briand, the French Foreign Minister, on June 17 informed the League of Nations that the armed state of Austria constituted a menace to her neighbors. At the same time the liquidation board, delegated to remove military control from Austria, in its final report said that Austria is secretly arming in defiance of the terms of the peace treaty. The board expressed the conviction that war materials were kept hidden during their investigations and



REPARATIONS AMOUNT AGAIN FIXED
Michel: The temperature is sure to go down again
—De Groene Amsterdammer



THE LONG WAIT

"Taxi, sir?"

"Not quite yet; I'm just waiting for word from home"

"And I've been waiting for you for five years, you know"

—Glasgow Evening Times

that these arms and munitions might be placed at the disposal of the many private armies in the country. It was also alleged that secret cooperation between the German and Austrian army headquarters had been effected by an exchange of officers and the adoption by the Austrian army of a uniform on the German model. The Austrian newspapers in reply point out that, although the presence of two private armies in the country is indisputable, they do not constitute an external menace. In many circles Briand's statement appears as a demand that the Heimwehr and their Socialist adversaries, the *Shützbund*, be disbanded. The present Austrian Government is further embarrassed by the publication in the Socialist *Arbeiter Zeitung* of a document stolen from the Heimwehr headquarters at Graz. The paper, considered authentic, shows that Mgr. Seipel's government encouraged the Heimwehr, advised Austrian industrialists to finance it, and allowed the police to protect and even to arm it. The disclosures further indicate that apart from the active support of the Heimwehr by the Seipel government, Karl Vaugoin,

who continues as the Minister of War, appointed General Kasamas liaison officer between the Ministry and Heimwehr headquarters. The revelation of the Heimwehr as an organization closely affiliated with the previous government, in view of Vaugoin's retention in the present Ministry, is undoubtedly likely to be perturbing for Chancellor Streeruwitz.

Mgr. Seipel has partially renounced politics, at least for the present. Though he retains his seat in Parliament, he is resuming his duties as Professor of Moral Theology at Vienna University.

HOLLAND—In Holland late unofficial reports of the elections to the Second Chamber of the States General show an increase in the strength of the Catholic and Social Democratic parties. The Liberals and the Liberal Democrats show no change while the Anti-Revolutionists lost support. The parties, based on results from fourteen to eighteen constituencies, show the following strength: Catholics, 22; Socialists, 21; Anti-Revolutionists, 10; Christian Historicals, 10; Liberals, 6; Liberal Democrats, 5; others, 6.

ITALY, SPAIN AND PORTUGAL

Constitution of the Vatican City Comes Into Force

By *ELOISE ELLERY*

PROFESSOR OF HISTORY, VASSAR COLLEGE;
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VARIOUS steps toward putting into operation the Italo-Vatican Accord were taken during the last month. On June 8 Senator Cesare Maria de Vecchi was appointed as the first Italian Ambassador accredited to the Holy See. The choice occasioned some comment as Signor de Vecchi is considered rather a man of action than a diplomat. It is understood, however, that the appointment was made after consultation with the Vatican, and may therefore be presumed to be acceptable to the Holy See. Signor de Vecchi has had a distinguished record both in the war and in the Fascist Government. He was a member of Mussolini's first Cabinet, but owing to some unguarded statements which were resented by the opposition press, he was retired and made Governor of Italy's colony on the Red Sea. He was recently created a Senator and a Count by the King for his services to the nation. On June 25 he presented his credentials to the Pope, the occasion being marked by imposing ceremonies.

The Vatican in turn has selected as Nuncio to the Italian Government Mgr. Borgongini-Duca, former Secretary of the Congregation of Extraordinary Ecclesiastical Affairs. He played an important part in the preparation of the Italo-Vatican agreement and his appointment is reported to be highly satisfactory to the Italian Government. He becomes the dean of the diplomatic corps accredited to Italy.

The new fundamental law or constitution of the State of the Vatican City came into force on June 10. Although it does not involve any very radical departure from the existing principles of government of the Papal Curia, it provides for formal recognition of the changed status, and

makes the adjustments necessary to the new relations. It vests all powers, executive, legislative and judicial, in "the Supreme Pontiff as sovereign of the State of Vatican City." He may delegate some of his powers to others, as, for instance, to the Governor of Vatican City or to the Papal Secretary of State, but these officers are responsible to him alone. In the interregnum between the death of one Pope and the election of his successor power is to be vested in the Sacred College of Cardinals, but no legislative measure taken by the Cardinals will be valid unless ratified by the new Pope.

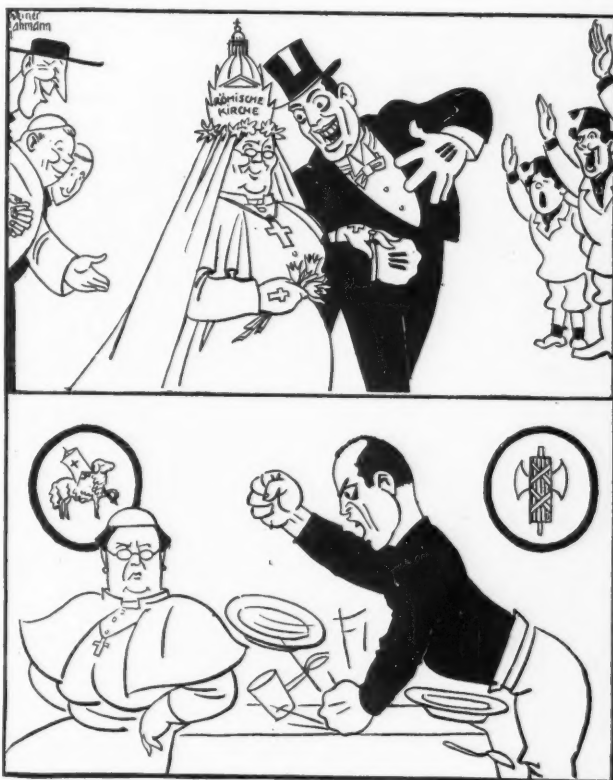
Civil cases in the territory of Vatican City will be tried by a special court, whose judges and officials are about to be appointed. The sacred tribunal of the Rota and the Supreme tribunal *Segnatura*, which will consist of three judges, will act as a court of appeal. Penal cases are to be tried by a court of one or more judges appointed by the Governor of Vatican City. Any one who believes his rights or interests have been injured by an administrative act of Vatican City authorities can appeal to the Pope through the Councillor General of State.

The fundamental law states also that the Vatican City legal system will be based on canon law and pontifical constitutions and rules issued by the Pope or authorities delegated by him. Temporarily, however, in all cases not covered by Vatican law, Italian law and regulations made by the Province of Rome and the Governor of Rome will be applied, provided they do not conflict with divine rights, with the principles of canon law or with the provisions of the Lateran treaties.

The fundamental law ends by stating

that the flag of the State of Vatican City is to be white and yellow, with the papal arms and crossed keys surmounted by a triregnum in the middle. The coat of arms will consist of crossed keys and a triregnum in the field. The seal will consist of crossed keys and a triregnum enclosed in four concentric circles, which bear the words "State of Vatican City."

One change brought about by the concordat, according to Mussolini, is an improvement in the status of the Jews in Italy. As an evidence that it would not improve their condition it was pointed out by *Italia*, an anti-Fascist organ published in Paris, that on the very day after the publication of the concordat, the Jewish weekly, *Israel*, was suppressed by the Italian Government. The ground for this suppression was alleged to be an article contending that under the new régime marriages performed by rabbis as well as



THE ROMAN IDYLL

The relatives were delighted when they married—but the honeymoon was hardly over when he said: "I am master of the house"

—*Kladderadatsch, Berlin*



PAIN SHARED IS PAIN DOUBLED

"I am supreme, he is supreme. Therefore we are both only half and half supreme"

—*Simplicissimus, Munich*

by representatives of other minority religions ought to be recognized. That precisely such recognition was to be accorded was stated by Mussolini in the following statement recently made to the managing editor of the Jewish Telegraphic Agency:

The concordat has regulated the relations between the Jewish community and the State on the same principles and by the same standards as have regulated the relations between the Catholic Church and the State. It was for this reason that the representatives of the Protestant and Jewish Churches have expressed their satisfaction with the present status, which was the inevitable result of the conclusion of the concordat.

Priest or rabbi may perform marriage ceremonies, but every citizen has a right to give preference to the civil ceremony. Generally, the concordat and its meaning are widely misunderstood. The fact of the matter is that the State and the Church remain as separated as they are in the United States of America. The right reserved for every Italian to choose a re-

ligious or a civil marriage ceremony is an indication of the fact that the concordat has not changed the situation.

The concordat regulates the relations between the State and the Church without conceding the Church any influence or power in the affairs of the State. Only in two matters do the Church and State meet, having a common sphere of influence, namely, in religious education in the schools and in the performance of marriage rites. However, in both matters, all churches, as I have emphasized before, enjoy the same rights. What is still more important is the fact that religious ceremonies are in no way obligatory. Any citizen has the privilege of accepting or declining the services the Church wishes to render him.

Take, for instance, the case of Jewish parents in the school question. The Jewish parents have the right to withdraw their children from attending the religious part of the school program. On the whole, the Jewish population in Italy is a small one. There are altogether 60,000 Jews in the country, of whom 15,000 live in Rome, about 10,000 in Milan, 5,000 in Trieste, 1,000 in Naples. In the Jewish school of Rome about 100 pupils are enrolled. It is therefore hardly probable that the Jews will establish their own schools, particularly in the smaller towns.

The Jews in Rome have so far not presented any demands to the government in regard to the school question. In one part of Rome one section of the four Fascist schools is Jewish, and on Saturday about

600 Jewish pupils, led by their officers and principals, visit the synagogue.

In spite of the fact that the new arrangements are being put into effect there is still an aftermath of the disagreement between the Pope and Mussolini (see pp. 827-828 and pp. 845-853 of this magazine). The occasion was the printing in brochure form of the speeches by Mussolini before the Italian Chamber and Senate on the Lateran treaties. Since Mussolini's speeches are published, the Pope now proposes to print his own replies. These include both his speech to the pupils of the Jesuit College at Mondragone on May 15 and the letter of May 30 to Cardinal Gasparri, the text of which appears in this magazine.

Another occasion of friction came to a head on July 8, the day on which diplomatic relations between the Vatican and the Quirinal were fully established. It was caused by the sequestration on the part of the government of the Catholic publication *Youthful Life*, on the alleged ground that it "tended to draw Italian Catholic youth away from the legitimate authority of the

Italian State and Italian institutions." This action caused a vigorous protest in the *Osservatore Romano*, the official organ of the Papacy, which denounced "these ways and methods of local political hostility" as "neither justified nor decorous," and as an enormity without parallel in all the "bitter history of censorship in all times."

As a further instance of censorship it is reported that Professor Umberto Cosmo of the University of Turin has been sent to an Italian penal colony on the charge of writing a letter of thanks to Senator Benedetto Croce for the latter's opposition to the Lateran treaty and the concordat. Charges are also pending, it is stated, against sixteen students at the universities of Turin, Padua and Pavia for having signed this letter. Most of them are being held in prison.

Pope Pius XI, as librarian of



When the rest of the world is talking reduction of armament

—Adams Service

the Vatican Library before his elevation to the Pontificate, pointed out the urgent need of compiling a full catalogue of all its treasures, and the task was accordingly begun under his direction. Interrupted by the war, the work was not resumed till last year, when the organization and installation of a thoroughly modern system was made possible through the cooperation of the Carnegie Foundation. The library is unsurpassed for the number and rarity of its ancient volumes. It contains upward

of 60,000 ancient manuscripts, in addition to many unique volumes from all parts of the world. Its collection of Greek, Latin and Oriental authors is very rich.

The principal rebel chieftains in Cyrenaica surrendered unconditionally at Barca on June 13.

PORTUGAL—The Cabinet resigned on July 4, the reason given being differences of opinion between the Ministers. It had been in power since April, 1928.

Proposed New Constitution for Spain

A NEW Constitution for the Spanish monarchy was presented to the National Assembly on July 5 for study and examination by the members of the Assembly during the Summer. The official text is not yet available, but the general outline is given in newspaper reports. It provides for a constitutional monarchy. The executive power is vested in the King who, however, must consult the responsible Ministers on important affairs. He is to initiate all laws except those referring to government expenditures and income which have previously received the approval of one-fifth of the Deputies.

The legislative power is entrusted to a single body called the Cortez. One-half of the Cortez will be elected by universal suffrage, thirty members appointed by royal decree and the rest elected by special classifications or professions as laws later enacted may establish. There will be one member of the Cortez to each 100,000 inhabitants of Spain and there will be no distinction between the sexes in it. Women as well as men may become members. The highest judicial functions will be vested in a supreme tribunal which is to apply the laws impartially and must limit its activities to purely judicial functions. The president of the supreme tribunal will act as co-ordinator between the courts and other government bodies.

Roman Catholicism is established as the State religion, but the new Constitution guarantees that "no one shall be molested in Spanish territory because of his religious opinions, nor for the exercise of his own faith, unless it is harmful to Christian morals." Public religious ceremonials

and other public religious manifestations, however, are limited to the Roman Catholic faith. Spanish citizenship rests in those born in Spain, in the sons of Spanish fathers even though born on foreign soil, and in those who acquire it by naturalization. Naturalization is the gift of the State, but citizens or subjects of States in which Spanish is spoken receive a privileged position in seeking naturalization. Foreigners enjoy most of the rights of citizenship except the vote and participation in the government, the States and municipalities.

The Constitution guarantees to citizens and foreigners alike that they shall not be imprisoned except by due course of law and that their domiciles cannot be invaded except by a competent judge. Persons arrested or detained by the authorities will have free correspondence with the outside world. The laws can only be retroactive when in favor of the defendant, unless he is an habitual delinquent. There is no limitation upon the right of any Spaniard to emigrate to foreign countries. The penalty of confiscation of property cannot be applied by the courts. The Constitution guarantees to each citizen the right to elect his profession and to learn it as seems to him fittest. Every Spaniard, within the forms prescribed by law, would have the right to found and maintain establishments of instruction. Education becomes one of the most important and fundamental cares of the State. The right to strike is recognized, but the government reserves the right to intervene when the welfare of a large part of the population or the public services are endangered.

Pilsudski Overawes Court in Trial of Former Finance Minister

By *FREDERIC A. OGG*

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A STATE trial of large constitutional significance was in progress at Warsaw during the closing days of June and was brought to an inconclusive termination on the 29th. The defendant was the former Finance Minister, Gabriel Czechowicz, charged by the Sejm, the lower house of the Polish Parliament, with having spent 8,000,000 zloty (about \$880,000) in excess of the budget in 1927-1928 without parliamentary approval. That such expenditure had been incurred was freely admitted, and M. Czechowicz's defense was that the Cabinet knew and approved what was being done, and that if the Sejm disapproved, its proper course would have been to overthrow the Cabinet by a vote of confidence. Early in the proceedings Marshal Pilsudski made a characteristically theatrical appearance before the tribunal, launched one of his familiar tirades against Parliament, declared that he was himself responsible for the "crime" charged against the former Finance Minister, and in effect asked the court what it was going to do about it.

The issue thereupon became whether the court should punish the defendant for his technical guilt, or whether, having obeyed the orders of the dictator, he was to be regarded as protected by the latter's admitted immunity. There were spirited defenses of parliamentary government in the Sejm; but no one so much as proposed bringing action against Pilsudski. On the contrary, every one conceded that, whether they liked it or not, he was above the law; and in the end, the court neatly sidestepped the dilemma in which it found itself by postponing judgment and suspending the case until the Sejm should give its opinion as to whether the excess outlays

for which M. Czechowicz was immediately responsible were "necessary and expedient." This disposal of the matter was highly disappointing to great numbers of people who had followed the case with extreme interest.

BULGARIA—A bill permitting Ministers and other officials of the pre-war régime to return to Bulgaria was advanced to its second reading in Parliament on June 28. The measure stirred fiery discussion, which more than once threatened to end in a fight. Deputies of all parties attacked it on the ground that, if passed, as it is now expected to be, it would enable former Premier Radoslavoff and other "enemies of the country" to resume residence on Bulgarian soil, re-engage in politics, and thus endanger the national security. Premier Liaptcheff and Minister of Justice Kuleff pleaded for passage of the measure, which covers all interned or exiled political personages, at home or abroad, undergoing sentences of less than twelve years, including Communists and Agrarians. The Premier took the ground that the project is an act of humanity and conciliation whose adoption will make for domestic peace. It is expected that if the measure becomes law former Czar Ferdinand, now living in Coburg, will also be allowed to return to Bulgaria for a brief visit to his son, King Boris, and his daughter, Princess Eudoxie.

The relations of Bulgaria and Yugoslavia, which have been growing steadily worse since the renewal of agitation for the independence of Macedonia, have been further disturbed in recent weeks by recurring border forays and clashes. Throughout June Bulgarian newspapers

contained almost daily accounts of disagreeable incidents of the sort.

CZECHOSLOVAKIA—Discussing, in the Foreign Affairs Committee of the Chamber of Deputies, the situation of Czechoslovakia in current international relations, Foreign Minister Benés has called attention to the fact that his country now has arbitration treaties with all its neighbors except Hungary and is on the friendliest terms with Great Britain, France, Germany, Italy, Austria and Poland. Speaking of the Little Entente, recently in conference at Belgrade, he emphasized the fact that, after eleven years of collaboration, the interrelations of the three constituent States are as close and cordial as ever; that the Entente is directed against no country; that its members stand ready to develop more amicable and settled relations with Hungary; and that relations with Soviet Russia are being maintained on the lines laid down in past conferences. The Czechoslovak minorities, he added, receive more at the hands of the Prague Government than they could hope to secure by outside intervention.

RUMANIA—On June 22, the Optants' Conference, which for more than two years has been trying to fix the indemnity payable to the Bucharest Government for the property of Hungarians expropriated under the Rumanian land reform, once more suspended its sittings without having been able to reach an agreement. Hopes of greater success than in the past were dashed by the Hungarian Premier's much discussed irredentist speech and the consequent notes of protest by the members of the Little Entente. Rumania clings to the idea that the conference may be able to reconvene in the future with larger chances of success, but Hungarians are renewing their earlier suggestion that recourse be had to the League of Nations, and this proposal is being considered by both governments.

A rumor was current at the end of June that Marshal Pilsudski was endeavoring to bring about a Hungarian-Rumanian-Polish "trialism," linking together the three countries under the leadership of the

Rumanian dynasty and providing full autonomy for the former Hungarian province of Transylvania, now part of Rumania. If such a scheme were really on foot, its principal object would probably be to present a common front against bolshevism. A secondary purpose might be to soften Hungarian feeling on the subject of Transylvania. It may be added that Premier Maniu has lately declared that Rumania will never cede to Hungary one inch of Transylvania or of any other territory acquired as a result of the late war.

An agreement has been concluded between the Rumanian Government and the Swedish engineering firm of Krueger & Co. of Stockholm for the construction of a ship canal to connect Bucharest with the Danube River.

HUNGARY—The unexpected death of Count Jules Andrássy has removed one of the last noteworthy political figures of pre-war Hungary. To an American newspaper correspondent he had declared, a day or two before his death, that there are more causes for war now in Eastern Europe than in 1914. However true or false, the assertion very well reflects the pessimism and disillusionment of the deceased statesman in his later years. His last and perhaps greatest disappointment was the failure of circumstances to shape themselves in such a way as to permit a restoration of the Habsburg monarchy in the person of the 16-year-old Otto.

Hungary's adherence to the Kellogg pact was ratified on June 19 by the lower house. Foreign Minister Valko declared his willingness to submit any dispute whatever to The Hague Tribunal.

ALBANIA—The first building to be constructed by the United States on foreign soil for the use of a legation or embassy is nearing completion at Tirana. It is being built at cost (\$60,000) with labor from the vocational school maintained at the Albanian capital by the American Red Cross. King Zogu has agreed to attend the formal opening and deliver an address. A new royal palace, costing \$1,000,000, is also under construction.

A State monopoly on oil sales has been granted by the government to the Italian

company Agip. The Anglo-Persian Company did not compete, and the Standard companies withdrew from the competition under a private agreement with Agip that it should purchase from them all the oil sold.

YUGOSLAVIA—Taking the ground that any act which might provoke hostility against the Zivkovitch dictatorship is properly punishable, a special State Court at Belgrade, on June 27, sentenced the Croatian ex-Deputy and lawyer, Dr. Milovan Zanich, to six months' imprisonment for indulging in propaganda. It appears that the jurist's offense was merely a proposal at a meeting of the Zagreb Chamber of Lawyers that King Alexander be asked to restore the Yugoslav Constitution. His plea at the trial was that he had done

nothing more than exercise his rights as a Yugoslav citizen.

On June 28, the fifteenth anniversary of the assassination of the Archduke Franz Ferdinand and his wife at Sarajevo, largely attended memorial services were held at the graves of Gavrilo Princip and Nadelko Chabrinovitch, the Bosnian students who committed the crime in the belief that they were helping to liberate Serbia from Austrian rule. The bodies of the two youths and of twenty-six of their alleged fellow-conspirators rest in an unmarked vault on the outskirts of Belgrade—unmarked, it is said, with a view to sparing the feelings of the new Austria. Commemorative services were held also for the Archduke and his wife at a spot near the bridge over the Wiljacka River, where they were killed.

NATIONS OF NORTHERN EUROPE

Norwegian Nationalists' Agitation Against Danish Influences

By JOHN H. WUORINEN

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IN spite of vigorous protests on the part of citizens of Trondhjem, the First Chamber of the Norwegian Parliament on June 10 passed a bill changing the name of that city to Nidaros. The vote was 20 to 18. This action reflects the nationalist agitation known as the Landsmaal movement, which was responsible for the change, some five years ago, which gave Christiania its new name of Oslo, and which has for its general aim the "purification" of Norway and everything Norwegian by eliminating all Danish influences.

The movement, however, encountered opposition in Trondhjem. The decision of the First Chamber precipitated violent demonstrations in the city and elicited expressions of sympathy from Oslo, Bergen and other cities. Over 20,000 people of Trondhjem held a mass meeting on June 11, violence and rioting ensued

and the local police were compelled to use their sticks in clearing the streets. A society was established on June 21 for the purpose of a repeal of the Lagting's action, and at once enrolled 5,200 paying members. On the following day, a huge meeting held in Oslo protested against the disregard of the wishes of the people of Trondhjem, severely censored the action of the Lagting and joined in the slogan "Trondhjem back to Trondhjem." Unless the decision of the Lagting is changed, the new name will come into use on Jan. 1, 1930.

The Landsmaal movement intends also to "purify" Christiansand by giving it the more national name of Fosna, and a similar procedure awaits Bergen, which is already protesting against the proposed legislation which would change it into Björgvik. Rioting occurred in Bergen on June 18. Windows were broken and the

police had to use strong-arm methods to clear the streets. The character of the reaction against this purification process is suggested by the fact that names like Johan Bojer, O. Thommessen and A. F. Trampe Bodtker are prominent among its leaders.

While the Trondhjem situation was in the public eye, the country faced the possibility of a Cabinet crisis as the result of the liquidation of the Smedal-Omsted case. The report of the law committee of the Storting, issued on June 11, censored Mr. Evjenth, Minister of Justice, and gave complete satisfaction to Mr. Smedal to whom it granted 5,000 kroner. The Cabinet supported Mr. Evjenth. The question was debated in Parliament on June 25 when the committee's report came up for discussion. The result was the rejection, by a vote of 80 to 70, of the section relating to Mr. Evjenth. On the other hand, Parliament unanimously accepted the proposed money grant to Mr. Smedal. On the day following, the session of the Parliament came to a close, the proposed budget having been accepted earlier on the same day.

A problem of considerable import was solved on June 25 when the Storting accepted, by a vote of 116 to 25, the agreement between the State and the State officials. The salaries of State employes were reduced by 10 per cent in 1928, whereupon the employes' organization brought suit against the State. The court found for the plaintiffs. The result was a compromise whereby the State agreed to pay 18,000,000 kroner and to abstain from any further reductions till 1935.

Another link in the chain of arbitration agreements was forged on June 18 when Norway and Italy signed an arbitration treaty covering all categories of disputes. The treaty is modeled on the agreements by which the four northern countries have bound themselves, during recent years, to solve all possible difficulties by means of arbitration.

SWEDEN—When the Spring session of the Riksdag came to a close on June 10, the country could look back upon a political storm which nearly wrecked the

government during the last week of the session. The controversy centred in the person of M. Wohlin, Minister of Finance, and grew out of certain bank failures and irregularities which have recently disturbed Sweden's financial world.

Some years ago, the Lantmannabanken found itself in difficulties. It had performed an important function as a bank serving the needs of small farmers and largely because of this fact it obtained assistance from the State. It was taken over by the Farmers' Bank whose capital was nearly wholly owned by the State. The transaction was severely criticized at the time by private bankers who resented the extension of State enterprise in the field of banking. Partly because of the failures in April, the Farmers' Bank began to fall victim to excessive withdrawals. In order to avoid further withdrawals by panicky depositors, the government was requested to issue a statement vouching for the soundness of the bank and the safety of its funds. This the government declined to do until it had investigated the situation. The investigation was completed at the end of May and disclosed that the position of the bank was precarious. Instead of thereupon communicating with the Parliament about the matter, the Minister of Finance opened negotiations with two private banks with a view of turning over to them the State-owned share of the Farmers' Bank. The negotiations came to nothing because of failure to obtain adequate guarantees for the depositors' funds. The government then decided to solve the problem by transferring a part of the obligations of the Farmers' Bank to another State-owned institution, the Credit Bank. By the time the situation had developed to this point, however, the vacillating attitude of the government had further weakened the institution in distress which had lost some 20,000,000 kroner of its funds.

The action of the Minister of Finance was severely criticized in the Riksdag. It was charged that he, as well as the whole Cabinet which sided with him, had sold out to the private bankers who were trying to get rid of State banking in every form. The demand was put forth that M. Wohlin resign and, according to the

statement later issued by P. A. Hansen, the Cabinet as a whole escaped a similar demand only because the Social-Democrats, who lost heavily in the elections last Fall, were too weak to shoulder the responsibility of forming a new Cabinet. On June 4 the Cabinet made known that it would stand by M. Wohlin. The result was the most severe rebuke known to Swedish parliamentary procedure. Matters came to a head in the session of June 7. M. Rydén, the Socialist leader, regretted that the budget had been passed because it would be left in the hands of a man in whom the representatives had lost all confidence; Professor Westman (Agrarian Union) held that as Cabinets exist on the sufferance either of the King or of the Riksdag, and as M. Wohlin no longer could obtain the support of the latter, the issue had come to involve the question of Kingship, and the same idea was developed by M. Bergström (Liberal), who stated that if the King retained a government repudiated by the Riksdag, a struggle would ensue "in which the people of Sweden will say the last word, no matter what happens." Later the same day the Cabinet broke the tension by sacrificing M. Wohlin. P. A. Dahl was appointed his successor.

The Lindman Ministry emerged from the fray badly damaged, and, in view of the extensive and severe criticism leveled against it by all but the most conservative papers, it will face a formidable opposition in the next session.

Sweden's relations with the new republics across the Baltic, whose territories were once part of the Swedish domain, were brought to the fore by a visit of King Gustaf V to the capitals of Latvia and Estonia. It was his first trip to Riga and Reval, and though formally only a return of calls made by the Presidents of those two republics at Stockholm, it undoubtedly served to emphasize Sweden's new contacts with its old possessions. That these contacts can be anything but cultural and commercial is quite improbable. Two years ago the President of Finland made a formal visit in Stockholm, and like the Baltic executives he was received with full State honors. Later the call was returned by King Gustaf in Helsingfors.

The same ritual has now been carried out with regard to Latvia and Estonia. In each instance the heads of the States were accompanied by their Foreign Ministers, which usually means political conversations, but in this case the intercourse is likely to have been only social. In other words, Sweden is not prepared to repeat its trans-Baltic adventures of the sixteenth and seventeenth centuries.

Verner von Heidenstam, Sweden's grand old man of letters, winner of the Nobel Prize in literature and a member of the Swedish Academy, celebrated his seventieth anniversary on July 6. Thousands of messages from academies, learned societies and individuals at home and abroad poured in during the day. His literary work, which began in 1888 with his now classical collection of poems describing his years of travel in the Orient, also comprises novels, short stories and essays.

FINLAND—The month of June was largely monopolized by an active election campaign. Parliament was dissolved on April 19 and the campaign got well under way in the second week in June. The party situation was somewhat changed by the formation of the Small Farmers' party, which represents a new political group and whose appearance reflects the inability of the older Agrarian party to satisfy the less well-to-do agricultural population whose views on such questions as the tariff differ markedly from the strongly protectionist program of the large landowners. At the same time it served notice upon the Socialists, as well as the Communists, that the small farmer had interests different from those of the industrial worker.

The Progressives issued their formal campaign appeal on June 23. They urged support for the Mantere Ministry, at whose instance the dissolution took place, on a program including extended sickness, old age and unemployment insurance; improvement of the salaries of State employes; the lowering of the voting age from 24 to 21; a more effective utilization of the economic resources of the country and peaceful foreign relations, and an adherence to a "League of Nations

policy, conducive to the development of international amity and justice."

The National Union party's program emphasized three matters in particular: An increase in the military defenses, a vigorous attack upon the Communists and an aggressive program toward the Swede-Finns. The Social-Democrats' declarations placed the main emphasis upon a drastic cut in the military budget, an extensive program of social insurance and the like, a reform of the electoral age requirement similar to that put forth by the Progressives, and, finally, a scathing denunciation of the Communists.

The Swede-Finns rallied around the old standard of determined opposition to everything savoring of Finnization. Although the Swede-Finns represent but 10 per cent of the population of the country, they repudiate all policies which might deprive them of the position of linguistic, educational and social equality which is embodied in the Constitution and various legislative enactments. The attempt to rally the whole voting strength of the Swede-Finns under the conservative nationalist standard of the Swedish People's party has failed for years, in that the Liberal elements have given their support to Dr. G. Schauman, the leader of the Swede-Finn Left party, while socialism has made gains among the less well-to-do workers to whom language problems mean less than economic questions or progressive social legislation.

The Agrarians' program reflected a nationalist tinge and an adherence to the interests of the large farmers, long since familiar. In common with the Union party, they went on record in favor of strong military defense.

The election held on July 1 and 2 resulted in marked victories for the Communists and the Small Farmers' party, while the Agrarians made sufficient gains to lead to their being called on to form a new government in succession to the Mantere Ministry.

Responding to a demand of long standing, Finland, Sweden, Norway and Denmark on June 7 abolished the use of passports by their nationals while traveling in these four countries. The place of the passport will be taken by a "Northern

Travel Card." It can be easily obtained from the police authorities or at post-offices; its cost is 20 cents, and it requires no visa. The card is good for six months' travel. A similar arrangement was adopted by Finland and Estonia and went into effect on July 1.

Dr. Kivimäki, one of the members of the Mantere (Liberal) Cabinet, disclosed on June 19 the existence of a widespread, active Communist organization in the country. The work of the Communists centres largely in the Socialist Workers and Small Farmers' party which came into being some years ago when the Communist party was outlawed. According to Dr. Kivimäki, some twenty members of the last Parliament were in the service of the Communist group whose headquarters he placed in Moscow.

DENMARK—While the Socialist Stauning Cabinet came into office in April on the issue of military preparedness, it does not intend to limit itself to the abolition of Denmark's defenses on land and sea. Its program of social legislation received clearer definition and elucidation on June 10, when the *Social-Demokraten* published the Constitution Day speech by Mr. Steincke, Minister for Social Affairs. He pointed out that as soon as the Riksdag convenes, it will be called upon to deal with the government's new unemployment insurance bill which attempts to free the unemployed from their dependence upon the so-called Relief Funds. Also, an attempt will be made to revise the old-age and sickness insurance laws. According to M. Steincke, the success of the program will depend upon the realization of the disarmament scheme for which the electorate voted in the last election. This reform will effect the saving of tens of millions of kroner, which will be used to finance the social legislation mentioned.

A few days later the Premier, M. Stauning, served notice upon the Conservative elements in the Landsting (upper house) not to block the radical reforms of the government. In the event of opposition, he predicted, the Landsting would be signing its own death warrant, since any attempt on its part to nullify the wishes of

the electorate, as expressed in the Folketing (lower house) would result in the capture of the Upper House by the radicals, who would abolish it.

While the government has resolutely tackled problems of unemployment, social insurance and the like, the main emphasis, as regards economic reform, is placed upon the attempt to increase the productivity of farming, industry and the crafts. M. Stauning appointed a committee to investigate the question in its entirety. The second point in the instructions of the committee obliges it to confer with

experts in the various fields of Danish economic life for the purpose of discovering ways of increasing and improving Danish exports by means of centralization, increased efficiency and cooperation. The committee has been popularly termed the first "Danish Committee of Inquiry," and in its composition and program it reminds one of similar English, American, Finnish and other attempts to introduce State activity into the fields of economic enterprise under forms different from those usually suggested by the term "socialization."

THE SOVIET UNION

Soviet War Threat to China Follows Seizure of Railway

By EDGAR S. FURNISS

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ASERIOUS threat of war between the Soviet Union and China resulted from the arrest and deportation of Soviet officials of the Chinese Eastern Railway by the Manchurian police on July 10. The Chinese also closed the headquarters of the Soviet railway trade union in Harbin and other Soviet commercial offices, took control of the telegraph and telephone lines, and placed a Chinese, Shan Chi-khan, in charge of the Chinese Eastern Railway.

This Russian-owned road, an essential link in the trans-Siberian route, had been under joint Chinese-Soviet management since the Mukden agreement of 1924. The reasons for China's drastic action were summed up by Lu Yung-huang, president of the Chinese Eastern directorate, as twofold: The numerous Soviet violations of the Mukden agreement, rendering it void; and alleged Communist propaganda disseminated through the railway agencies, proved "by documentary evidence seized in the recent raid [on May 27] of the Soviet consulate general in Harbin."

On July 12 the Soviet Government addressed an ultimatum to the Chinese Na-

tional Government demanding that it agree within three days to a conference to settle all differences arising out of the management of the railway, and threatening the use of "other means" to protect Soviet legal rights if China did not accept the terms. The reply of the Chinese Government to the Soviet ultimatum came at the end of the allotted three days. It defended the seizure of the railway on the grounds that Soviet officials had violated the Mukden agreement for joint management and that the action was necessary "for the suppression of Communist propaganda and the maintenance of order in Manchuria." It demanded the release of all Chinese prisoners in Russia and the protection of Chinese nationals in Russia from persecution. The massing of troops on both sides of the Russian-Manchuria border was reported on July 16. Petitions, protests and spontaneous demonstrations among Soviet workers indicated a bellicose spirit in Russia and a popular demand for retaliation.

Soviet relations with China have suffered many sudden changes of fortune since 1924. In that year the Union volun-

tarily waived her rights of extraterritoriality and acknowledged by treaty the complete autonomy of China, thereby winning for herself the position of chief foreign friend of the Chinese Nationalists. During the next three years the Communist doctrine seemed in the way of becoming the dominant faith of the Kuomintang; and official Bolshevik advisers played a prominent part in China's political and military affairs. But the revolution of Chinese opinion in 1927 proved disastrous to any hopes that the Union may have entertained of moral hegemony over the Nationalist State. The Russian advisers were expelled and the native Communists were hunted out and virtually exterminated. Russia broke off diplomatic

relations with Peking in 1927, and though the Chinese Legation at Moscow subsequently reopened as the representative of Nanking, feeling has been continuously embittered by the ruthless suppression of communism within China.

The attack on the Soviet Consulate at Harbin and the arrest of Russian citizens which occurred at the end of May strained to the breaking point relations between Moscow and the chiefs of the Nanking Government, whom the Bolshevik leaders hold responsible for this overt act of enmity. Russia's note of protest was received with contemptuous silence; and during the first two weeks of June the editorial comment in *Pravda* assumed an increasingly belligerent tone.

Stalin Consolidates Power by Ousting Officials

STALIN'S victory during the early months of the year, first in the general elections and later in the party and Soviet Congresses, is now having its effect upon the personnel of the government's administrative services. Throughout the country as a whole changes have been made in the bureaucracy to eliminate officials who have failed to give unqualified approval of the socialization program which is the pivot of current Communist policy. In general, these changes indicate a leftward shift of policy, since the officials relieved of their posts have been those who advocated moderate treatment of the wealthier peasants and compromise with the capitalistic elements of the industrial system. Their places have been taken by men who can apply with vigor and without compunction the severe measures employed to further the five-year industrialization program and the rapid socialization of agriculture. The changes will result in greater harmony within the administrative department and will consolidate the power of Stalin and his lieutenants within the Soviet structure and in the councils of the party.

Among the higher officials the principal change has been the dismissal of M. Tomski from his post as president of the Central Council of Trades Unions. Tomski has not only been in charge of labor policy since the establishment of the Soviet

Union but has been a member of the praesidium of the Central Executive Committee and of the Council of Labor and Defense. He attained prominence in the English-speaking world by reason of his activities during the British coal strike when, as disbursing agent of the relief funds of the Russian unions, he was suspected of attempting to turn the strike into a social revolution and was, in consequence, banned from England. His long career as a Bolshevik leader, the importance of his position at the head of Russia's organized labor movement and, latterly, his prominence among the Right wing critics of the socialization program, add to the significance of his removal from office. His place has been taken by a commission headed by M. Dogadov whose members are all in complete sympathy with the policy of the Kremlin.

This change in the leadership of organized labor is but one feature of a "drive" to tighten discipline and stimulate industry and efficiency among the industrial wage earners. Both as an organized class and as a factor in Russia's economic system, labor must bear heavy responsibility for the success or failure of Soviet economic policy. It is the largest, indeed the only, really organized and articulate class in Russia. Its fifty-three unions number 11,000,000 members whose political power is enhanced not only by cen-

tralized leadership but by virtue of their status as the foundation of the Communist strategy of social revolution, and again by the fact that they are almost wholly employed in government industry. Apart from their political influence, the wage earners of Russia viewed as an economic factor are of critical importance since it is absolutely essential to the success of the industrialization program that the output of the factories, mines and transport system expand enormously so as to increase the real income of the peasant population. The removal of Tomski and the abolition of his office, since these measures receive prompt and hearty ratification by the Labor Federation Congress, may be taken as evidence that labor's political power has been mobilized in support of the Bolshevik leaders.

The practical and more difficult problem of increasing the efficiency of the individual worker on the job has called forth a variety of disciplinary measures which for severity compare favorably with those of the most reactionary employer. To these have been added novel forms of punishment for slackness and indifference which could scarcely exist outside a Socialist system. Deliberate inefficiency is the equivalent of treason and, as was shown repeatedly last year, may bring one to trial on the charge of counter-revolution. Mere laziness is punished by social ostracism and reprobation. The patriotic fervor of the Russian labor world at the present time has heightened the severity of these punishments by a public opinion aroused to crush out all evidences of lukewarmness toward Soviet policy.

No other striking changes have occurred among the higher Soviet officials. Rykov has been re-elected president of the Union Council of People's Commissars and J. E. Rudzutak, V. V. Schmidt and K. G. Ordjonikidze, vice presidents. The Commissariats have been filled as follows:

G. V. CHICHERIN—Foreign Affairs.
K. E. VOROSHILOV—Army and Navy.
J. E. RUDZUTAK—Transport.
N. J. ANTIPOV—Posts and Telegraphs.
N. A. UGLANOV—Labor.
A. I. MIKOLAN—Trade and Commerce.
N. P. BRINKHANOV—Finance.
V. V. KUYBYSHEV—Supreme Economic Council.
V. P. MILIUTIN—Director Central Statistical Board.



"PLEASE USE THE BACK DOOR"
—The World

This Council, which corresponds roughly with the Cabinet of parliamentary governments, is elected by the Central Executive Committee, the sovereign body within the Union between sessions of the Congress, and acts as the directive organ of that body. Other high officials holding the six chairmanships of the Executive Committee are elected to represent the component republics of the federal Soviet Union. These chairmanships have been distributed as follows:

M. I. KALININ—Central Russia.
G. I. PETROVSKY—The Ukraine.
A. G. CHERVIZKY—White Russia.
V. G. F. MUSSAVEKOV—Transcaucasia.
F. KHODZHAYEV—Uzbek.
I. AITAKOV—Turkestan.

The appointment of L. B. Kamenev to be head of the Concessions Commission is evidence of the final extinction of Trotsky's influence among the Bolshevik leaders within Russia. Kamenev, Trotsky and Zinoviev formed the triumvirate which ruled Russia after Lenin's death until Stalin gained control of the party through adroit use of his position as Secretary

General. When the open rupture occurred between the Stalin and Trotsky factions in January, 1928, all three were exiled. Kamenev and Zinoviev returned to Russia a year ago after recanting their heterodox beliefs and have been doing penance in subordinate positions. This appointment to high office of one of Stalin's bitterest opponents of previous years is a measure of the restored harmony within the party. Karl Radek, one of the few Trotskyists of prominence still outside the fold, is reported by *Pravda* to be petitioning for reinstatement from his place of exile at Tomsk on the borders of Chinese Turkestan. This leaves Trotsky a leader without a following of any importance within the circle of Russian communism. According to late news dispatches, the former Generalissimo of the Red Armies is still in Constantinople. His attempts to find domicile in Germany having proved fruitless, he petitioned Ramsay MacDonald for permission to be admitted into England "for medical care" and "to engage in study and writing," but on July 10 the British Cabinet refused his request.

The economic outlook within Russia appears brighter at the present moment than for some months past. According to the latest report of the government's statistical department, crop prospects are greatly improved, especially in the Ukraine and the Caucasus regions, where bad weather conditions had caused much concern. The

city population in the principal industrial centres is still on bread rations, but it has been found possible to increase the allotment to each family and to allow a larger proportion of white bread. There has been a marked improvement in grain collections by the Soviet agencies and a decline in grain prices in the open market. Similarly favorable are the reports from the industrial and mining regions. Under the impulse of concerted effort by government officials and labor leaders, the output of the factories is steadily expanding and production costs are falling. An interesting development of the mining industry is represented by the sale of 370,000 tons of anthracite coal to Canada and the United States. According to the American firm which acts as technical advisers to the coal trust this is but the beginning of a substantial Russian export of anthracite from resources which are abundant in quantity and of high quality. With a continued expansion and modernization of the oil industry, a marked improvement in the mining of ore and coal and a flourishing trade in lumber, the Union may be able from these branches of her extractive industry to restore the export balance destroyed by the cessation of the grain trade. Reliable observers in Russia believe that there no longer exists any considerable menace of popular unrest induced by the severity of economic conditions or by the rigor of the agrarian policy.

Soviet Relations With Great Britain and America

IN the sphere of foreign affairs, apart from the dispute over the Chinese Eastern Railway, already referred to, the event of chief significance has been the prospective improvement of relations with Great Britain resulting from the victory of the Labor party. Russian opinion, however, is not unmixed. It is generally agreed that the party will attempt to make good its pre-election promise to re-establish diplomatic relations with the Soviet Union. This would be a distinct gain over anything to be expected from a continuance of Conservative policy in Great Britain. In this connection it is significant that the British delegation of business men, to whom Russian opinion had looked to support the

proposal to resume diplomatic relations, concluded their visit to Russia with a resolution demanding that the Soviet Union acknowledge British claims to indemnity as a prerequisite to diplomatic recognition. Such a condition Russia has never accepted in the case of any other country; and she promptly stated her unwillingness to accept it in the case of Great Britain. It is assumed that the Labor government will waive this condition and attempt to the best of its power as a minority in Parliament to reopen diplomatic relations with the Union. But with this Bolshevik expectations of profit from the success of the British Labor party cease. MacDonald and his allies are

in little better favor with the Russian Communists than are the Conservative leaders; and the program of the British Labor party is viewed as a namby-pamby mixture of bourgeois and socialistic doctrines more dangerous on the whole to Communist aspirations than the outright enmity of the reactionaries.

Russia continues her attempts to promote friendly relations with the people of the United States. For some months there has been an obviously concerted effort through the newspapers and the speeches of government officials to develop an atmosphere of cordiality toward the United States and all things American. Extensive preparations were made to insure the success of the visit of the American business men's delegation from July 15 to Aug. 15.

In this country the American-Russian Chamber of Commerce, which organized the delegation, strove to make it broadly representative of our principal business houses. In Russia, the government laid out an itinerary which would make the tour the most comprehensive yet undertaken in the Soviet Union besides preparing public opinion to extend a cordial reception to the visitors.

As a phase of the good-will campaign plans were made for a flight from Moscow to New York, via Siberia and the Aleutian Islands, Seattle, San Francisco and Chicago. The plane, a twin-motor of 600 horsepower, constructed in Russia, was to be piloted by the leading Soviet long-distance airman, Shestakov, aided by the chief sea pilot, Bolotov.

THE NEAR AND MIDDLE EAST

Reorganization of the Zionist Movement

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AFTER strenuous debates in the middle of the year 1928 upon the past policies, present leadership and future possibilities of Zionism in Palestine, America and the world generally, a quiet year has allowed belligerency to subside and constructive measures to be devised. The Thirty-second Annual Convention of American Zionists was held in Detroit beginning June 30, and was followed by the Sixteenth Zionist Congress in Zurich, opening on July 28.

The struggles of 1928 left the general control of Zionist affairs to the same persons as before, who had, however, been made aware by the debates of the wishes and views of opponents whom it is desirable to conciliate as far as possible. Financial readjustment, especially as regards land purchase in Palestine, was necessary. The policy of securing the support of non-Zionist Jews was adopted. The great practical measure contemplated was the enlargement of the Jewish Agency, which is the official group oper-

ating in Palestine and doing the actual direct work of Zionism.

In June, 1928, the Joint Palestine Survey Commission presented a report, based upon a visit to Palestine, with recommendations for future action. This report was discussed by the General Council of the World Zionist Organization at Berlin, July 19 to 31. The Council resolved that the recognition of the principles of "five proposals, viz., Jewish labor, the Hebrew language, national land, the settlers' right of self-determination, and constantly increasing immigration, is an unalterable foundation for the establishment of the Agency and the setting up of a program of work."

A Non-Zionist Conference of American Jews was held in New York on Oct. 20, 1928, under the chairmanship of Louis Marshall. An Organization Committee of Seven was created and instructed to arrange for the inclusion of non-Zionists in the Council of the Jewish Agency. The Zionist General Council met at Berlin in

December, and after approving this action instructed the Zionist Executive to draft a constitution for an enlarged Jewish Agency. Meeting again in May, the Council approved the main lines of the draft which had been prepared, and directed that a meeting of the Agency Council should take place, probably in Zurich on Aug. 11.

The draft constitution based the document on the Balfour Declaration and the Palestine Mandate. The five principles above mentioned were incorporated. The Agency is to have a council, of which one-half is non-Zionist, which will meet every two years; an administrative committee of forty, to meet three times a year; and an executive. The budget is to be raised by the Keren Hayesod or Palestine Foundation Fund. In case the extended Jewish Agency should ever be dissolved, its powers and duties will revert to the World Zionist Organization.

With the completion and adoption of this constitution, a work of reorganization extending over six years will have been accomplished. The machinery of Zionism is complicated, but it appears that in no other way can the project of the Jewish

National Home in Palestine be sustained, than by securing the steady attention and adequate financial support of a people who belong to various nations and who are at the same time relatively independent and self-sufficient in their religious congregations.

The report of the British Government to the Permanent Mandates Commission of the League of Nations, concerning the administration of Palestine during the year 1928, pointed out that drought and locusts depressed agriculture, but that orange groves and forests were enlarged, and manufacturing increased; 63,319 persons visited the country; 1,011 motor cars were imported, mostly from the United States. The income was \$12,900,000 and the expenditure \$16,900,000. Of the latter, \$3,240,000 was applied to Palestine's share of the pre-war Ottoman debt. Three new Jewish colonies were created; 2,178 Jewish immigrants entered the country and 4,500 Jews became naturalized citizens. The population of Palestine on March 31, 1929, is reported to have included 557,649 Mohammedans, 149,554 Jews, 78,463 Christians and 8,850 other persons.

Improved Transportation in Western Asia

THE backwardness of Western Asia in comparison with Western Europe and America has been manifest in no way more than in the lack of modern means of communication. In the most ancient days, this region, as everybody knows, contained some of the most advanced seats of human civilization. Apparently, however, the art of road building was not far advanced before the time of the Roman Empire. That empire, moreover, did not carry its system of straight, solid roads far eastward from the shores of the Mediterranean and Aegean. Many caliphs and viziers of the Saracen Empire, and at a later date sultans and pashas of the Ottoman Empire, spent for the good of their souls thought and money upon roads. The unassisted Moslem world, however, hardly passed beyond the idea that a road's perfection consists in a natural track, provided with bridges over large streams, wells along

desert stretches, and inns at suitable intervals to provide shelter and security during the night. Cutting down hills and filling across valleys, grading and surfacing with gravel or broken or hewn stone appear not to have entered the realm of the imagination as possibilities.

It is not seemly for the West to point the finger of scorn too emphatically at the East, when the recency of Western rapid transit is remembered in a world that has lasted thousands of years. Rails are only about 200 years old and steam engines to run upon them only about half as old. Macadam was not born until 1756 and most of us have seen the greater part of the so-far-accomplished supersession of our roads by concrete, together with the infinite multiplication of motor vehicles to run upon them. Nearly all of us, moreover, are still enough interested in the novelty to look up when the airplane passes overhead, apparently free to fly in

any direction, but actually following with remarkable fidelity the lines of road and rail that lie upon the ground.

All parts of Western Asia are to a greater or less degree proceeding to modernize themselves and they are all laboring to strengthen this element of especial weakness. Before the Turkish reforms of 1908, very little had been done in Anatolia, Syria, Palestine, Arabia or Mesopotamia toward providing surfaced highways. Strangely enough, more had been done toward building railways. The airplane, of course, was unknown in the East and only being dreamed of in the West. Apart from some comparatively short stretches of railway in the Smyrna region and Syria, two great projects were under way, the Bagdad and Hejaz railways. The former, starting from previously built lines which connected Constantinople harbor with Angora and Konieh, was designed to proceed through the Taurus and Amanus Mountains by Aleppo and Mosul to Bagdad, and thence to be continued southeastward to the Persian Gulf and northeastward to Teheran. Since a railway already existed between Aleppo and Damascus, this system was expected to continue by the Hejaz Railway from the last-named city on to Medina and Mecca.

TURKISH RAILWAYS

Before the war the Bagdad Railway, which played such an important part in the tangled diplomacy of the European powers, had been carried some distance east of the Euphrates except for the great tunnels. A section had also been built northeastward from Bagdad to Samarra. The Hejaz Railway, financed within Turkey by many self-sacrificing gifts, had been carried from Damascus to Medina. During the four years of the war the great tunnels were completed, but elsewhere the railways, if anything, deteriorated, as far as the German-Turkish zones were concerned. On the other side, however, the British brought a line from the Suez Canal across the desert into Palestine and they constructed a narrow-gauge railway from Basra to Bagdad and on to the Persian frontier at Khanikin. In both regions, also, much work was done on the roads,

while from Khanikin on to Teheran, and branching off at Kasvin to Enzeli (Pehlevi), on the Caspian Sea, they constructed a good macadamized road, suitable for rapid motor transit. The young Turks had, from 1908 on, done something for roads in Anatolia, so that in 1918 it was possible to travel by motor between the principal cities of that land.

The end of the war and the political complications which continued to be acute during four or five years and which are far from settled as yet, stopped, hindered or diverted various projects for improving communications. Great Britain stipulated in the Sykes-Picot agreement of 1916 with France that the Bagdad Railway should not be brought to completion in advance of the building of a line across the desert further south, between Bagdad and Haifa. In general, the breaking up into several parts of the territory which had been unified for four centuries as Turkey-in-Asia tended to damage the large projects and to lead toward a greater number of small projects. Ultimately, the completed portion of the Bagdad Railway west of Mosul came under Turkish control and ownership. The portion, however, from Bagdad to Samarra, has actually been torn up and a narrow-gauge line is in process of construction east of the Tigris from Bagdad through Kirkuk to Mosul. The Hejaz Railway has suffered more severely. It is now under the three governments, of France in Syria, Great Britain in Trans-Jordan and King Ibn Saud in the Hejaz. The portions are managed quite separately and the depleted rolling stock remains distributed as it fell at the close of the war.

The New Turkey is economically weak and is neither able nor desirous to incur indebtedness for transportation developments. Almost all the money that can be found for such purposes is being applied to the extension and improvement of the railway system. This was the first interest of President Mustapha Kemal until a year ago, when he began to press personally the adoption and the extension of the use of the Latin alphabet. Railway construction has continued, however, with the prospect that in one or two decades Turkey will possess a government-owned

system which will touch all the principal ports and interior towns, as well as the most important regions for the provision of minerals, timber and agricultural products. Proper economic development, of course, demands the building of many good roads, at least as feeders for the railway system. Aviation in Turkey has practically been confined hitherto to foreign-owned communications from the West to Constantinople.

Syria has suffered from poverty and from disagreement between the inhabitants and the mandatory power. Considerable progress has been made, however, in restoring the mileage and equipment of the railways already in existence and in the improvement of existing roads and the building of new roads. A splendidly engineered road has just been completed between Aleppo and Latakia. Work is being done on the connections between Aleppo and Antioch, and between Damascus, Homs and Hama.

In Palestine the railways and roads have been kept up and improved, without apparently much extension since 1918. Plans are being considered to connect the link near the coast between Haifa and Beirut, as well as upon the more ambitious project previously referred to of a railway across the desert from Haifa by Amman and Rutbah Wells to Bagdad in Iraq.

The resources of King Ibn Saud have not sufficed either to re-equip the railway from Akaba to Medina or to complete the portion between Medina and Mecca. He has, however, had relatively great success in improving roads between Jidda, Mecca, Medina and Riyadh, and procuring motor cars to run upon them.

Riza Shah Pehlevi and his collaborators in the task of bringing about Persian progress are giving great attention both to roads and railways, and the encouragement of foreign-owned air service. The great main roads from Teheran, the capital of Persia, to Khanikin, Tabriz, Pehlevi, Meshed and southward through Kum, Isfahan and Shiraz to Bushire have been better and better prepared for the increasing motor traffic. Roads are being hastened to completion along the survey of the first important Persian railway, from Khor

Musa near Basra, north through Khorremabad and Hamadan to Teheran and Astrabad on the Caspian Sea. The railway itself has been begun at either end. A comparatively large sum of money has been accumulated for its construction, and a few years will in all probability see all financial and engineering difficulties surmounted and the railway in actual operation. The German-Russian Air Service has been functioning regularly for sometime from Moscow by Baku to Teheran. Recently it began weekly service from Teheran to Bushire and Khanikin, and from the latter point to Bagdad, where connection is made with the new Imperial Airways service.

SERVICE TO CONSTANTINOPLE

The through railway service between Western Europe and Constantinople was re-established after the war and has been continued eastward. Not only do excellent trains, with dining and sleeping accommodations, join Constantinople with Angora, but within the last few months a similar service has been established from Constantinople through Cilicia and Aleppo to Cairo. In this service are certain delays and gaps, as in the transition between Syria and Palestine, and in the curiously long time set aside for transferring passengers and baggage across the insignificant width of the Suez Canal. These delays are so slight, however, in comparison with the immense difficulties in the past that this establishment of railway communication across old and famous lands has already thrown brilliant light into the obscurity and backwardness which have until recently characterized them.

A greater revolution than this, however, has been accomplished during the last half dozen years by the opening of desert roads between the Mediterranean Sea and the Tigris River. In particular, the two routes between Beirut and Bagdad have substituted for a slow caravan journey, occupying at best two or three weeks, or an extremely roundabout and costly sea voyage of similar duration, a comfortable journey of one or two days. Over most of this distance the desert has supplied the road, with but little need of improvement. A great and increasing

traffic of both goods and passengers has resulted between Syria, Palestine, Iraq and Persia. During 1927 4,000 cars with 20,000 passengers accomplished this transit, as well as many millions of dollars' worth of goods.

More significant, perhaps, than any other development in transportation in Western Asia is the establishment from March 30 of a weekly service by the Imperial Airways between London and India. This enterprise perhaps marks the beginning of the most important air road of the world. The total of 5,000 miles is traversed in seven days. The first of the three divisions of the journey is the European, from London to Genoa, of 635 miles. This is covered in one day, by air from London to Basle, with a rail trip by night to Genoa. The Mediterranean division extends 1,800 miles from Genoa to Alexandria. The journey of the second day is 700 miles by air via Rome to Syracuse.

On the third day 750 miles is covered similarly by way of Navarino to Tobruk in North Africa. On the fourth day Alexandria is reached in the morning, and in the afternoon, beginning the 2,500 miles of the Near Eastern division, the flight is continued to Gaza, 280 miles. The fifth day is the longest—912 miles, by Rutbah Wells and Bagdad to Bazra. The sixth day is 800 miles, by Bushire and Lingeh to Jask. On the last day, in a final journey of 600 miles, the traveler stops at Gwadar and arrives at Karachi at 4 P. M. The first flights in both directions were accomplished according to schedule and without accident.

Thus the isolation of Western Asia is being broken into at a thousand points, and its secular retardation cannot but be brought to an end with comparative rapidity, with all that will mean for the introduction of modern civilization into these ancient lands of the Orient.

Other Events in the Near and Middle East

TURKEY—In June the National Assembly passed the new tariff bill which has been under consideration for some months, and which will probably come into force in September. Almost all imports must submit to increased duties, including worn clothing and paper of all descriptions. The average increase is about 25 per cent. In anticipation of the increases, importers have been unusually active, and in consequence the exchange value of the Turkish pound fell materially.

At the beginning of July copious rains fell in Central Anatolia, for the first time in three years. Some peasants had already migrated with their few remaining possessions to the western and northern coastlands, and many others were preparing to do likewise when the rains came. The government has been considering seriously the problem of constructing irrigation works where local conditions justify them.

An agreement has been reached with the bondholders of the Constantinople Loan, secured on the tolls of the Galata Bridge. The rate of interest has been reduced from 5 to 3½ per cent, and some

overdue instalments have been canceled.

An amnesty bill was passed in honor of the sixth anniversary of the proclamation of the republic, benefiting 15,000 prisoners, but not relieving those convicted of political offenses.

EGYPT—The internal political situation is so far stabilized that King Fuad, Prime Minister Mohamed Pasha Mahmud, and Foreign Minister Dr. Hafiz Bey Afifi were able to absent themselves from the country at the same time on a vacation of several weeks' duration. The King made a considerable tour in Europe, visiting Germany, Czechoslovakia, Switzerland and France before reaching England. The Prime Minister preceded him to that country, in order to receive an honorary degree from Oxford University, of which he is a graduate, on June 26. Supporters of the non-constitutional régime have been somewhat perturbed by the advent of the Labor government in England.

During the year 1928, the merchandise moved through the Suez Canal amounted to 32,622,000 tons, an increase of 3,000,000 tons over the previous year; 6,084 ships made the passage, of which about 57

seven per cent were British. Next in order came Dutch, German, French and Italian ships. The number of passengers carried was 317,718.

Visitors to Egypt during the season of 1928-29 were reported to number 20,500, an increase of fifty per cent over that of five years ago.

SYRIA—Recent changes in the Constitution of the Lebanon provide for a large increase in the powers of the President. He is to serve for six years instead of three; he can dismiss the Assembly unconditionally; and he can name whom he pleases as Ministers. These changes have been made by the Mandatory Power with apparently little protest from the people of the Lebanon, who have found their elected representatives disposed to serve personal interests rather than those of the people. It remains to be seen whether an almost dictatorial President will improve the situation. A new Assembly was elected in June.

The students of the Syrian University at Damascus on April 4 went on strike because of a proposed reduction in the government's appropriation for the institution. The law students led the way and were joined by the medical students and finally by all students in the secondary schools. They sent a delegation to Beirut on April 9 to confer with High Commissioner Ponsot. On April 13 their request for the restoration of the budget was granted on condition that they would return to their studies.

The High Commissioner has decreed the coining of 1,250,000 Syrian pounds in silver of the nominal values of 50 and 25 piastres. These coins will thus have approximate values of 40 and 20 cents. (The value of the Syrian pound is 20 francs, or 78.4 cents, and not \$1.27½ as stated by inversion of the values in July CURRENT HISTORY.) It is hoped that the introduction of this solid money will stop the continuing practice of referring values in some parts of Syria to the old Turkish money.

ARABIA—Credible accounts report recent events in the Nejd as follows: Some months ago King Ibn Saud held an assembly at Riyadh to which all important

sheikhs came in person except Ibn Bijad of the Ataibah, Faisal ad-Dowish of the Mutair, and Daiden Ibn Hithlain of the Ajmam, who sent deputies. Somewhat later Ibn Bijad attacked and plundered a caravan which was returning from Syria to Nejd. The King gathered some 40,000 followers, paying them \$5 each, and advanced to the neighborhood of Arta-wiya. Faisal ad-Dowish tried to placate the King, but was unable to deliver the submission of the other two sheikhs. He then prepared to give battle, with 5,000 followers, mostly Ikhwan, or Wahabi "Brethren." The fight took place on March 31, and ended in a distinct victory for the King, who is said to have lost only 40 men, while killing 750. Faisal ad-Dowish was wounded and captured. Ibn Bijad fled, but was later captured and imprisoned. Ibn Hithlain (said to have been responsible for the attack on Mr. Charles R. Crane some months ago) is reported to have been sought out and slain. Ibn Bijad's town of Ghatghat was destroyed by way of punishment. The King returned to the Hejaz in triumph, and joined in the annual pilgrimage.

About 95,000 Moslems journeyed from overseas to Jeddah for the pilgrimage of 1929. Health conditions were remarkably good, despite the heat of May in Arabia.

IRAQ—After several weeks of uncertainty, a new Cabinet was announced at the end of April. The Prime Minister is Taufiq Beg Suwaidi, who also holds the portfolios of Foreign Affairs and Religious Foundations. Abdul Aziz Qassab is Minister of the Interior, Daud Beg Haidari of Justice, Yusuf Beg Chanima of Finance, Amin Beg Zakhi of National Defense, Khalid Beg Suleiman of Public Instruction, Abd-el-Mushin Beg esh-Shalash of Communications and Public Works, and Sheikh Talman-el-Barraq of Irrigation and Agriculture. The new Prime Minister addressed Parliament on May 6, and promised an attempt at speedy settlement of difficulties with the British Government, a census, reorganization of the army, and attention to housing, education, and irrigation. The Parliament voted confidence in the new Ministry.

The Euphrates River was in extraordi-

nary flood in April and May, threatening dikes and roads and overflowing many lands. Rain fell heavily in April, to the disadvantage of the ripe grain and newly seeded cotton lands.

PERSIA—The revenues of 1928 exceeded those of 1927 by about \$2,000,000. This was due entirely to increased receipts from the Anglo-Persian Oil Company in the shape of royalties. Drought affected the income from several provinces unfavorably, and the customs receipts fell off. The income from the public domains increased.

Earthquake shocks in Khorassan on May 1 and 2 shook down many houses and caused damage by interrupting and diverting watercourses; 88 villages were destroyed; and 3,253 persons were reported killed and 1,121 injured. Taqizadeh, Governor of Khorassan, headed prompt relief work. The government provided wheat and money gifts, and assistance was given by the Shah, the Queen, many private citizens and Russians across the border.

The Persian Government has concluded treaties with Belgium (on May 11) and France (on May 15) and is negotiating a treaty with King Ibn Saud of the Hejaz and Nejd. These documents provide for amity and commerce and are to be supplemented by more specific conventions.

AFGHANISTAN—A force sent out by King Habibullah from Kabul is reported to have taken Kandahar early in June. The troops were well disciplined and there was no looting or bloodshed. Other advances of the new King's troops were reported with corresponding weakening of his opponent, General Nadir Khan, uncle of the deposed King Amanullah. Amanullah and his wife Suriya, with their suite, occupied twenty-five steamer cabins upon sailing from Bombay on June 22. Their immediate destination was Marseilles. They were said to be poorly provided with money. Amanullah expects to reside in Italy for a time, and hopes then to return to Afghanistan as a private citizen.

THE FAR EAST

The Japanese Liberals Take the Helm

By J. S. BURGESS

PROFESSOR OF SOCIOLOGY, YENCHING UNIVERSITY, PEKING; ASSOCIATE OF PRINCETON-IN-PEKING

THE resignation of General Tanaka, Prime Minister of Japan, on July 2, came as no surprise to those familiar with the recent growing power of Liberalism in the Island Empire. The defeat of the recent Cabinet was due principally to the increasing general dissatisfaction with a blundering sword-rattling policy in China, rather than to any specific issue. As early as February of this year it was very apparent in Tokio, that the forces of Liberalism were threatening the power of General Tanaka and that the inevitable overthrow of the military-dominated government was only a matter of a few months.

To a visitor from China in Japan the discovery of this change of emphasis in Japanese public opinion was as surprising

as it was encouraging, for the existence of a strong liberal-minded group in Japan was a feature of the Oriental situation not appreciated in Nationalist China.

SINO-JAPANESE RELATIONS

The long series of events in the relations of China and Japan, accelerated by the notorious Twenty-one Demands of 1915, by last year's Tsinanfu trouble, and by the present virtual protectorate over Manchuria, have contributed toward building up a very general attitude of hatred toward Japan on the part of the new Nationalists of China. Great Britain, against whom the first antagonism of the patriots of New China was directed after the shooting of the students in Shanghai on May 30, 1925, is no longer the chief centre of attacks by

Chinese press and propaganda. National aspirations are now seen to be kept in check principally by Japan.

With this background, a visitor to Japan naturally looked for some corresponding feeling of antagonism toward China. Were not Japanese killed in Tsinanfu, and was there not in many places in China a powerful boycott of Japanese goods? This was the question in my mind as interviews were arranged for me with representatives of varying groups in Japan—interviews with an Osaka labor leader who is a member of the governing committee of the Federation of Labor, with two professors of a leading national institution, with the chief editor of a leading daily, and with an elderly member of the House of Peers, a man of international reputation.

The first discovery, which came as a surprise, was that the leading newspapers in Japan were all against the government. But this is chronic. The press always is, we were told! The Tokyo and the Osaka *Asahi*, with a combined circulation of over 2,000,000, are frank in stating that the Tanaka government was the worst Japan has ever had, and that the policy toward China was outrageous. The *Nichi Nichi* and *Mai Nichi*, in the same two cities, were less critical, but they also told 2,000,000 or more readers that government policies needed drastic change, change in a more liberal direction. Other papers, too, we were told, were a chorus of complaint. It was stated that in the whole empire perhaps one paper of importance might be considered as pro-government. Public opinion, we were informed from several directions, was against the Tanaka régime, and was for a more liberal China policy.

The labor leader expressed himself thus: "The government stands before China leveling a pistol at her head; it is a diplomacy of pure threat and force, of which the masses of our people know very little. The press is not allowed to print much." This leader favored a reversal of policy in China. "But," said I, "is the argument not common in Japan that there are too many mouths to feed here; that there is pressure of overpopulation? Japan must possess Manchuria and must get a hold on the mainland." He replied: "That is all foolishness. There is plenty of space

for Japanese on the mainland, space which we could occupy if there were good-will between the two nations. The present policy, however, is against such good-will." By "occupy" he meant peaceful living under the Chinese Government.

The younger of the two college professors was the freest in expressing his opinion. The graduate of a large American University, with six years abroad, he spoke excellent English. Chang Tso-lin was in his opinion undoubtedly killed by Japanese influence. Perhaps some high military officer arranged it. "There are a good many fervid militarists of this kind. They would do anything for the empire." Or, it might have been arranged by a group of young patriots in some secret society. The whole subject was taboo in the press. It could not be speculated on publicly. But the opposition none the less heckled the government on the question of delay in making an investigation. He was quite sure that the Japanese were indirectly responsible for the assassination of General Yang Yu Ting in Manchuria. Yang had received many loans from Japan, and the Japanese were backing him. He, with their help, was getting too powerful, and hence he was put out of the way by the young Marshal Chang Hsueh-liang.

As to the Tsinan incident, the young professor was sure that the blame could be put almost entirely at Japan's door. The Japanese incited the trouble. Many of them who were killed in the initial encounter were opium smugglers, in his opinion. "But we are not well informed. Government propaganda is powerful. The diplomacy of my government remains wholly mystic." As to Manchuria, he considered that the policy there was in the control of the Okura capitalist groups and of all those who had big investments in Manchuria, big merchants whose trade was involved with railroad and other governmental interests.

LABOR GROUPS IN JAPAN

His analysis of the groupings of labor in Japan was most illuminating. There are four main divisions, he said. The first is very small and relatively unimportant, namely, the Left Wing Communists who dare to receive money from Russian

sources. The second is larger and constitutes a strong minority—various groupings of Marxian Socialists who have become more indigenous to Japanese backgrounds. The third group is the largest—the Social Democrats. They are of the British Labor party type, emphasizing state socialism and improvement of the conditions of labor. They also advocate representation of labor in the direction of industry. They stress trade unions and collective bargaining as the chief weapon of labor, but are also going into politics. At the present time, there are eight labor members in the Diet. The fourth grouping is made up of those who, from social or religious motives, are interested wholly in the welfare of the laborers, in improving conditions, in shortening hours of labor, in bringing about an increase of pay, and other ameliorative measures. Many Buddhists and Christians are to be found in this fourth group.

The contest is now on between the second and third groups; radicals are contesting with Social Democrats, who have not forgotten their dream of future democratic control of industry, but are at present using trade union tactics and feeling their way to political power.

The older of the two professors was more reticent. He, too, was clearly opposed to Premier Tanaka's methods and policy. To him the future development of China was largely an economic question. If business is to prosper, the solution lies in increased wants on the part of the farmer. These can be met only if the farmer himself is able to change from a consumption economy (where he uses all his own products) to a production economy where he sells his surplus. I explained to him that just this thing was beginning to come about in the North China area, where factory-made cloth and flour from the big mills of Tientsin and Shanghai are replacing local products. Surplus farm products are being put on the market. He pointed out that this movement could not be successful unless large unit agricultural production, using improved farming implements, were possible. The tractor and the harvester cannot be purchased nor used by the small land-owner—and most of the farms for the present are small.

Cooperative use of modern appliances and cooperative marketing we discussed at length. Japan's economists are thinking ahead on the economic problems of China.

The political difficulties were summarized by this professor as follows: "The two big questions in our relationships are the weakness of the government in China and the weakness and ineffectiveness of the Liberals in Japan." In other words, with a strong central government in China and with order restored, the sword rattlers of Japan would have no case, and Liberals would be in the saddle.

PROBLEMS CONFRONTING LIBERALS

The chief editor of a daily newspaper, a man of 45, alert and clear-minded, answered all questions directly, and went out of his way to give what was to me the much needed background of Liberalism in Japan. To summarize:

"The Liberals face two outstanding problems. First, the present system of a three months' session of the Diet. It is ridiculous. Government business cannot be finished in such a short time. As it is, much of the business is put through when the Diet is not in session, and policies can thus be carried out with little or no check. The second needed reform concerns the House of Peers. The House does not come within the jurisdiction of the law, that is, cannot come under the election laws, since members are appointed by the Throne or have their seats by hereditary rights. At present there are 190 hereditary members and 120 appointed, from statesmen, business men and scholars. There is in this House a bloc which, for a consideration, will support any government policy whatever. The Upper House is far stronger than the Lower, as it can defeat measures initiated by the Lower House. In the latter, however, the government has a majority of ten. There is going on all the time a lot of shaving off of one party's members by the others. A very few votes might give the opposition a working majority.

"Many are dissatisfied with the present government's China policy. We are drifting, chiefly because there is no real policy. The Manchurian question is always considered by our Japanese people as

unique. They still remember blood spilled there in the Russian war. Actually we do not desire political control, but we do want economic stability, which means peace and order. It is clear that the Japanese individually cannot compete in trade with the Chinese in Manchuria. The same is true of farming. The Chinese can manage to live on less. Already in Dairen 70 or 80 per cent of the stores are run by Chinese; the Japanese cannot compete with them. We need the raw material of Manchuria and the security of railroad and other investments. Our policy toward China is already changing. I am confident that Yoshizawa will this time settle things regarding Tsinanfu with Dr. Wang. The old Tanaka policy cannot be continued."

The prophecy regarding the early settlement of the Tsinanfu incident was realized a few days after this interview.

JAPANESE PEER'S VIEWS

To the member of the House of Peers whom I interviewed, everything that Premier Tanaka stands for was anathema. The Chinese policy was merely one of his many grievances. Knowing my informant to be a keen student of the philosophy of civilization, I asked him what he considered to be the chief contributions of the old Chinese civilization to the modern world. He replied: "The wonderful stability of the old system had much to be admired. We do not want the same system again, but the quality of stability will re-emerge in the new China after the present changes have taken place and a more settled time comes. There is much, too, that is admi-

rable in the local self-government of ancient China. People knew how to manage their own affairs. Their achievements compare well with those of England. Then, too, China has taught us all a lesson"—here there was a mischievous smile—"that of how to get other countries to fight wars for us."

The persons interviewed did not, of course, represent all the elements in Japan. I saw no Conservative member of the Seiyukai, the government party. The bureaucrats of the Board of War were not approached. But the men herein quoted represent a powerful group in the House of Peers, that most conservative of the two houses, Japanese Labor, the intellectuals, and the majority opinion of the press. These views were not the sporadic ideas of a few radicals. Many of them will find early incorporation in the policy of the new Minseito government, led by Premier Yuko Hamaguchi, the third commissioner to hold that high office.

The wisdom and sanity of the present government in China in dealing with its problems anent Japan has been amply demonstrated by the failure of the Tanaka rule and the rise to power of the Liberals. Chiang Kai-shek's refusal to be stopped at Tsinanfu and to fight it out, the lack of retaliation against Japan's Manchurian mandates, the steady purpose not to give the militarists a grievance—these greatly strengthened Liberal sympathy in Japan. The trend toward a stronger centralized control in China, accompanied by the present rise to power of Liberal Japan, has promise of solving what might otherwise be dangerous and provocative situations.

Fall of the Tanaka Cabinet

By HAROLD S. QUIGLEY

PROFESSOR OF POLITICAL SCIENCE, UNIVERSITY OF MINNESOTA;
CURRENT HISTORY ASSOCIATE

PREMIER TANAKA, who became head of the Japanese Cabinet in April, 1927, holding throughout the whole period of his Premiership the portfolio of Foreign Affairs, resigned, together with his Cabinet, on July 2. The

Emperor, upon the advice of Prince Saionji, sole surviving member of the *Genro* (Elder Statesmen), summoned Yuko Hamaguchi, President of the Minseito or Liberal Party, formerly Minister of Finance and later Minister of Home Affairs, to

the Premiership. Mr. Hamaguchi announced his Cabinet as composed of the following:

Baron KIJURO SHIDEHARA—Foreign Affairs.

KENZO ADACHI—Home Affairs.

Admiral K. TAKARABE—Navy.

General I. UGAKI—War.

JUNNOSUKE INOUE—Finance.

Viscount C. WATANABE—Justice.

I. KOBASHI—Education.

M. KOIZUMI—Communications.

C. MACHIDA—Agriculture and Forestry.

M. TAWARA—Commerce and Industry.

T. FUGI—Railways.

G. MATSUDA—Overseas Affairs.

Baron Shidehara is well known for his policy of conciliation toward China, a policy which Baron Tanaka discarded and to which it is anticipated the new Cabinet will return. Other members of the Cabinet of high reputation are General Ugaki and Mr. Inoue, the latter a former governor of the Bank of Japan. Mr. Inoue recently was elected chairman of the Pacific Council of the Institute of Pacific Relations, which will hold its third biennial conference in Kyoto in November. Premier Hamaguchi bears a sobriquet, "The Lion," said to apply rather to his appearance and manner of speech than to his force of mind or will. He is an advocate of high tariffs and retrenchment, believing that Japan has borrowed too heavily and that the Tanaka government was too liberal in its advances to banks and business houses after the panic of 1927.

The resignation of the Seiyukai Ministry was explained as the result of a series of actions distasteful to the elder statesmen rather than of any one incident. Premier Tanaka has been notably unfortunate in his handling of Japanese susceptibilities upon the matter of the imperial prerogative. It is believed that the accumulation of situations in which the Emperor's name has been employed with apparent, though no doubt unintended, disregard of traditional beliefs, has worked against the Ministry.

Most recent of such situations was that which developed regarding the clause in the multilateral or Kellogg pact which uses the words "the high contracting parties solemnly declare in the names of their respective peoples that they condemn recourse to war." In the *Genro*, today re-

duced to Prince Saionji but including in practice other experienced statesmen, notably Count Makino, Lord Privy Seal, and Admiral Suzuki, Grand Chamberlain, the phrase "in the names of their respective peoples" was held to be derogatory to the imperial power to ratify treaties, and this sentiment was strongly echoed in the Privy Council and in both houses of the Diet. Premier Tanaka endeavored to establish the view that the objectionable clause was a mere rhetorical flourish but he failed. Ultimately, on June 26, the Privy Council advised the Emperor in favor of ratification, but only with an interpretative statement to the effect that the clause in question was not applicable in Japan. When this statement was voted Count Uchida, signer of the pact at Paris, resigned. His resignation, though not the actual occasion of the Cabinet's resignation, might well have been the occasion had not another issue of a more embarrassing nature intervened.

This was the question of responsibility for the bombing, in June, 1928, of the train carrying Marshal Chang Tso-lin to Mukden after his forced retirement from Peking. An investigation had resulted in recommending the punishment of Colonel Kawamoto, officer in charge of the troops guarding the South Manchuria Railway, and other officers of high rank, for failing to use proper diligence in patrolling the portion of the line which crosses the Peking-Mukden Railway by a viaduct at the point where the bombing occurred. Premier Tanaka's statement on resigning contained the words, "I deeply regret that a certain incident occurring outside the empire was wrongly used as a political instrument." On July 1 the Japanese War Office announced that Colonel Kawamoto would be punished for having turned over the patrolling of the viaduct on the night of the murder to Chinese guards and that General Muraoka had resigned the Manchurian command. The report of the bombing investigation was not published. Great dissatisfaction was expressed in army circles at the severity of the punishments.

Premier Hamaguchi's road may be rough. The Minseito has a smaller membership in the lower house of the Diet

than the Seiyukai, while a third party, the Shinto Club, with between twenty-five and thirty members, has been supporting the latter. There was speculation concerning a new general election early in 1930. Immediately preceding his resignation Premier Tanaka had conferred with Mr. Tokonami, head of the Shinto Club, regarding a reconstruction of the Cabinet, and Tokonami's known tenets seemed opposed to cooperation with the Minseito. The Diet does not, however, meet until December.

Emperor Hirohito ratified the Kellogg pact on June 27. The pact only awaited deposit of the ratification at Washington by Japan to come into force. Announcement of ratification in Japan was accompanied by a lengthy statement explaining the government's interpretation of the pact and the care it had taken to safeguard the national interest and the imperial prerogative. No interpretation was found necessary concerning Japan's special interests, the Premier convincing critics that the right of self-defense covered them.

The heirs of the late Edgar A. Bancroft, former Ambassador of the United States to Japan, created a scholarship fund in his memory, in the sum of \$100,-

000, to be increased later to \$150,000, for the maintenance of a maximum of four Japanese students at American colleges. The fund is being administered by trustees who are Japanese subjects and who have had at least a part of their education in the United States.

Japanese sentiment continued opposed to naval expansion and in favor rather of reduction than replacement. Although certain naval men felt that Japan needed a larger proportion of cruisers than a ratio of 3 to 5 with the United States and Great Britain, they were strongly condemned for a program of expenditure which Japan could ill afford in view of her comparative wealth and internal and foreign problems.

The issue of yen exchange became urgent with a drop of the yen to a value of only 44 cents. No immediate rise was forecast, since the new government took the view that the yen could not be brought to par suddenly and that a program of retrenchment and restriction of borrowing was the only sound method of permanently restoring the value of the yen. Rumors of the removal of the embargo on gold have been sporadic, but no action is at present anticipated in that direction.

Chinese Generals Compromise to Avoid Civil War

MARSHAL FENG YU-HSIANG was reported as having resigned his command and as having accepted a consolation post of economic investigator for the national government, which would take him into foreign countries. The punitive mandate against him was canceled. Feng himself had not declared his plans but President Chiang Kai-shek was quoted to the foregoing effect. Chiang apparently wished to avoid further war, but was willing to fight if necessary, and succeeded in winning the support of several of Feng's leading generals. Governor Yen and others opposed any project to force the elimination of Feng and succeeded in mediating between Chiang and Feng on the basis of the compromise above stated.

This news is almost too good to be true. Feng, however, was in no position to fight Chiang alone and apparently he was unable to rally support. It is not impossible

that, like Eugene Ch'en and Wang Ching-wei of the civilian radical faction, he has found it advisable to bide his time and wait upon a turn of the wheel of politics to give him access to power. It is a happy event if Chinese faction leaders have reached the point of taking turns without fighting, after the methods of party leaders in the West. If Feng has in fact decided not to fight at this time it will mean additional badly needed months of reconstruction and unification, of development of financial, railway, port and road rehabilitation.

President Chiang announced that Governor Yen Hsi-shan, who played a major part in the "peace-talking," had been appointed in Feng's place as Northwest Frontier Commissioner, which means that he will control the provinces of Honan, Shensi and Kansu in addition to his own province of Shansi. Feng's armies were

to remain in their former locations under their own officers. Thus Yen assumes a status of great importance, becoming himself a rival of Chiang for influence over China north of the Yangtse. There is no question, however, of Yen's moderation.

Early in June the forces of Kuangtung Province, which had appeared in imminent danger of being overrun by Kuangsi troops, pushed the latter back westward and captured Wuchow, capital of Kuangsi. Fighting was proceeding less favorably for the Kuangtung army in Southern Fukien.

Sino-Japanese relations took another step toward cordiality when the two governments reached agreements upon the Nanking and Hankow incidents. Translations of the agreements, signed May 2, were made available by the Chinese Government on May 25. The Nanking settlement followed the lines of the earlier settlement between China and the United States. Both incidents were declared to have been instigated by Communists, but the Nanking Government declared its regret and agreed to pay compensation. It requested the Japanese Government to grant "adequate relief" for the personal injuries sustained by Chinese citizens in the Hankow incident of April 3, 1927.

The National Government issued a communiqué stating that an agreement had been signed by it with the British Government for the training of Chinese naval cadets in England and for the engagement by it of a British naval mission to assist in the development of the Chinese Navy; also that the government had a comprehensive program for the building of a substantial navy and that it intended to have certain vessels constructed in Great Britain.

A Chinese-Belgian commission met to provide for the rendition of the only Belgian concession in China, located at Tientsin, to China. Conversations took place between Sir Miles Lampson, the British Minister, and Dr. C. T. Wang looking toward the rendition of Wei-hai-wei, which the British Government agreed to return at the Washington Conference.

The question of the abolition of extraterritoriality in China was urgently pressed by Chinese official representatives

and discussed by foreigners. Dr. C. T. Wang stated early in May that he anticipated no serious obstacles since the powers already had conceded abolition in principle. Dr. Wang Chung-hui said in New York late in June that foreigners should remember that Chinese laws were primarily for Chinese and also that no country's laws were administered perfectly.

Professor Corwin of Princeton, who recently returned from several months in Chinese universities, in an article published in *The China Weekly Review* of Dec. 22, 1928, referred to the American memorandum of Jan. 26, 1927, in which the Secretary of State declared that "the Government of the United States was ready and is ready now to continue the negotiations on the entire subject of the tariff and extraterritoriality, or to take up negotiations on behalf of the United States alone. The only question is, with whom shall it negotiate?" Professor Corwin pointed out that in view of this declaration and of the fact that the question stated had been answered by the negotiation of the tariff treaty, the remaining problem was one of detail, though highly important, namely, "the problem of effecting the transition from the old system to the new with as much consideration as possible to all concerned." Professor Corwin believes that the transition should be gradual and recommends the following program:

1. Promulgation of the modern codes now in process of completion.
2. Adoption of these codes by the United States Court for China.
3. Appeals from the United States Court for China to the Chinese Supreme Court on questions of law.
4. Special Chinese courts to deal with foreign cases.
5. Creation by China of commercial arbitral tribunals, the statute creating them to render agreements between firms to resort to arbitration enforceable by suits for specific performance and to make the arbitral judgments enforceable by the same process as judicial decisions.

A Reuter dispatch stated on June 5 that the Department of State was drafting a reply to the Chinese note of April 27. (CURRENT HISTORY, June, 1929, pp. 538-9).

To and From Our Readers

[The Editor assumes no responsibility for unsolicited manuscripts unless accompanied by return postage. Anonymous communications will be disregarded, but the names of correspondents will be withheld from publication upon request.]

POISON GASES IN WARFARE

Colonel J. M. Scammell's article on poison gases in warfare, published in June CURRENT HISTORY, caused one of our readers to write to the editor to the effect that the article was written at the instance of propaganda for the Army's Chemical Warfare Service and that the caption of one of the illustrations was misleading. In reply Colonel Scammell writes:

"Your correspondent has made a very bad guess. My article was written without any suggestion from any organization. It is the result of many years of reading, conversations and reflection. I wrote on the same subject as early as 1922, as may be seen by referring to the files of the *North American Review* for 1922. ('Politics and Aero-Chemical Warfare,' and 'Chemical Warfare in the Future,' the latter in October, 1922.)

"In 1924 I discussed the subject with three distinguished English writers (whose books I have used in my article)—Captain B. H. Liddell Hart, Colonel J. F. C. Fuller and Mr. J. B. S. Haldane. I began the article early in 1927, and when the first draft was finished I asked the instructor in Chemical Warfare at the General Service Schools (then Major Haig Shekerjian) to criticize it for technical errors. In 1928 I asked Major Rockwood, the chemical warfare officer at Ninth Corps Area Headquarters, to comment on my final draft. Their comments were of a purely technical nature. Except for these individual officers I doubt if any one in the Chemical Warfare Service had even heard of me until after my article was accepted for publication and I wrote asking that copies of certain photographs which I had seen in an album at Ninth Corps Area Headquarters be sent to illustrate my article, direct to CURRENT HISTORY, in order to save time. Because these photographs did not pass through my hands I know nothing about their history and had nothing to do with the captions. Therefore I do not know whether any of them had been found on corpses or were specially posed on Long Island or any other place.

"However, what I can positively guarantee is that my article was not designed to mislead anybody and was not propaganda for any one or any thing. I alone am responsible for it, and I represent no or-

ganization and myself have no fixed opinion. I am a normal American citizen who has had a little experience in war and did not like the sample. I am dogmatic only in believing that the truth alone is a safe guide. Therefore, I collected my facts from every source available to me—from persons, books, magazine articles and official publications of the United States Government and of the League of Nations.

"My purpose was double—to summarize readily available knowledge and to urge a thorough investigation before we as a nation take a step which will be of vital importance to humanity.

"My consciousness of the extreme importance of the subject led me to take extraordinary precautions against mistakes. If errors have crept in nobody would be more eager than I to see them corrected. But I do not welcome any questioning of my motives, because that does nothing toward arriving at the facts, which alone matter when the future welfare of millions is at stake."

* * *

"AMERICA IN THE BRITISH PRESS"

Robert Machray, the well known British publicist and special correspondent, writing in the June issue of *The Landmark*, published by the English-Speaking Union in London, refers to Dr. Albert Bushnell Hart's article in May CURRENT HISTORY on the poor news treatment America receives in the British press. "CURRENT HISTORY," Mr. Machray says, "is a unique publication. It presents history in the making of fifty-five nations each month, and it justly states that no other magazine in any language offers such a variety and so impressive a volume of authentic contemporary happenings. One of its chief features is that a board composed of fourteen American historians carefully selects and interprets the world's events in each issue. More than that, Dr. Hart is the chairman of this board, and his position as such must be taken into account when assessing the importance of any statement he makes in that magazine." Mr. Machray then summarizes Dr. Hart's article, and concludes: "As regards the amount of American news in our press, I, following the example of Dr. Hart, assembled today's (May 9) London papers, and made an analysis of their contents. I added *The*

Manchester Guardian; it had the smallest amount of American news, except about cotton, on which, as was to be expected, it was pretty discursive. The London group had columns and columns of American news, interesting and outstanding news. *The Times* gave most—about ten columns in all—but *The Daily Telegraph* was a close second, while *The Daily Mail* had five and *The Daily Express* nearly four. It was an average day, not one I had specially selected. It seemed to me, therefore, that American visitors had little reason for complaint; as I have already said, they can scarcely look to our papers for supplying them with their home-town news."

* * *

BANKRUPTCIES IN THE UNITED STATES



MR. HAROLD REMINGTON

The article on the history and administration of American bankruptcy law which Mr. Harold Remington contributed to June *CURRENT HISTORY*, has not only brought the editor a number of letters from readers expressing their appreciation of the writer's treatment of the

subject, but has also been extensively quoted from by newspapers throughout the country. To show how important the matter is, one of our correspondents, Mr. James Wilkinson of Buffalo, N. Y., draws attention to the latest statistics compiled by R. G. Dun & Co. in connection with bankruptcies in the United States during the past year. These figures show that there were 1,767 commercial defaults in June, 1929. This was the smallest total shown since September, 1928. Compared with May, 1929, when there were 1,897 insolvencies, the June figure represents a decrease of 6.9 per cent; compared with June, 1928, when there were 1,947, the decrease is 9.2 per cent. More interesting are the amounts involved. In June, 1929, liabilities aggregated \$31,374,761, which represents a decrease of 23.9 per cent from the \$41,215,865 reported in May, 1929. De-

spite the reduction in the number of defaults in June, 1929, the total indebtedness involved exceeded by about 5.2 per cent the total of \$29,827,073 shown in June, 1928. "Such large sums," Mr. Wilkinson adds, "indicate the difficulties and hardships that can be and are inflicted upon creditors, for whose benefit the least that justice demands is the carrying out of such reforms as Mr. Remington so ably propounds."

* * *

ARLINGTON HOUSE ESTATE

To the Editor of Current History:

In an article in a recent issue of *CURRENT HISTORY* on Washington's heirlooms at Arlington, Enoch A. Chase states that Mrs. Lee's father died in 1875 and that Mrs. Lee became the life tenant of Arlington. George Washington Parke Custis, her father, died on Oct. 10, 1857.

The following is a brief history of Arlington House estate, which may interest your readers:

The lands comprising this Arlington House estate are a part of an original grant of 6,000 acres from William Berkeley, Governor of Virginia, to Robert Howsen, in October, 1669, in consideration of the said Howsen having transported a number of settlers into the colony. In the same year Howsen conveyed these lands to John Alexander, the consideration being six hogsheads of tobacco; and on Dec. 25, 1778, Gerald Alexander, to whom the property had descended, conveyed the Arlington tract, about 1,100 acres, to John Parke Custis, the consideration named being 1,100 pounds in Virginia currency.

John Parke Custis was the son of Martha Washington by her first marriage. He was aide-de-camp to Washington during the Revolution, and upon his death, on Nov. 5, 1781, from camp fever, contracted at Yorktown, Washington adopted his two youngest children, George Washington Parke Custis and Eleanor Parke Custis.

George Washington Parke Custis, who inherited the Arlington estate from his father, was a member of Washington's family until the death of Washington, in 1799, and soon after removed to Arlington, where he resided until his death, on Oct. 10, 1857.

By his will, dated March 26, 1855, he devised the Arlington House estate to his daughter and only child, Mary Ann Randolph Lee, wife of Lieut. Col. Robert E. Lee, U. S. A., for her use and benefit during her natural life, and on her death to his oldest grandson, George Washington Custis Lee, to him and his heirs forever.

By an executive order of the President of

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CURRENT HISTORY	1 year	3.00	5.00	2.00
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CURRENT HISTORY	1 year	3.00	5.00	2.00
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CURRENT HISTORY	1 year	3.00	5.00	2.00
Scientific American.....	1 year	4.00	5.00	2.00
CURRENT HISTORY	1 year	3.00	5.00	1.00
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the United States, dated Jan. 6, 1864, the entire tract of 1,100 acres, more or less, was selected for government use for war, military, charitable and educational purposes, under the provision of the acts of Congress of June 7, 1862, and Feb. 6, 1863. By the same order it was directed that the property be sold to meet the payment of \$92.07 direct taxes due thereon. This was done on Jan. 11, 1864, and the property was bid in for the United States for the sum of \$26,800.

Mrs. Lee, having died in 1873, legal proceedings contesting the legality of the tax sale were instituted by George Washington Custis Lee, as heir under the will of his grandfather, George Washington Parke Custis. The cause was heard in the United States Circuit Court for the Eastern District of Virginia, and a verdict rendered in his favor, which, upon appeal, was affirmed by the decision of the Supreme Court of the United States on Dec. 4, 1882.

Congress by act of March 3, 1883, appropriated the sum of \$150,000 for the purchase of this property, and on March 31, 1883, George Washington Custis Lee conveyed to the United States by deed the title to the property in question for the sum appropriated.

To this it might be added that Mrs. Lee sent a Mr. Fendall to pay the taxes, but the United States Commissioners refused to accept it, saying that Mrs. Lee would have to appear in person with the tax money. Mrs. Lee was at the time behind the Confederate lines. The proceeds of the sale went for expenses. Fifty per cent penalty, costs and 10 per cent per annum interest were added to the expenses.

A. C. HORSTMANN.

Corona, N. Y.

* * *

After the section of this magazine which contains Mr. T. Swann Harding's article, "The Public Penalized by Medical Disorganization" (Page 883), had gone to press, Mr. Harding expressed the desire to insert additional material as follows:

Quotation at the head of the article: "While private practitioners, especially surgeons and other specialists, continued to perform miracles in the diagnosis and cure of many disorders hitherto fatal, search through medical journals fails to reveal any significant efforts in the establishment of better organizations. While specialization is increasing, private medicine in general remains unchanged." (Harry H. Moore, Public Health Economist, United States Public Health Service, in "Public Health and Medicine," *American Journal of Sociology*, May, 1929.)

Insert Page 883, column 2, line 3: "Leading authorities agree that real progress can only be achieved by concentrating on preventive medicine, and, while improvement in the public health service is being shown, it could be very much more rapid, for the *American Journal of Public Health* repeatedly deplores present conditions."

Insert Page 885, column 2, paragraph 2, line 20: "H. H. Moore's *American Medicine and the People's Health* states (on Page 136) that 50 per cent of the births in Louisiana and Mississippi are attended by midwives only, and gives the following percentage figures for certain other States: Florida 38, North Carolina 35, Virginia 35 and Alabama 32. Rankin estimated approximately 750,000 births per year the country over unattended by physicians."

* * *

Among the articles which will appear in *CURRENT HISTORY* for September are: "The New Type of Criminal," by Raymond Moley; "How Talking Pictures Are Made," by Edwin Ware Hullinger; "Ridding America of Unwanted Aliens," by Remsen Crawford, and "The Birth of Lincoln's Emancipation Proclamation," by Dr. Clarence True Wilson.



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World Finance—A Month's Survey

By D. W. ELLSWORTH
ASSISTANT EDITOR OF *The Annalist*

FROM a national as well as international standpoint the three outstanding developments of the month have been the renewed rise in stock prices, the continued expansion in business activity and the slightly easier tendency which has characterized the money market. Of these the rise in stock prices is of prime importance because it means the indefinite postponement of a return to normal credit conditions in this country and threatens further complications in the international flow of credit. It is, therefore, of great significance that the average level of stock prices in mid-July was far above the dizzy heights attained earlier in the year.

Business activity also continued to expand in June, as shown by the trend of the steel and other basic industries. The experience of the last nine years shows that in steel ingot production there is a typical seasonal decrease in average daily output of 16 per cent from March to June; but this year the daily rate established a new high record in May, and the June rate was only slightly lower, so that in place of an average decline of 16 per cent there was an increase this year from March to June of one-half of one per cent. The effect of this amazing performance is thrown into bold relief when translated into terms of *The Annalist's* adjusted index of steel ingot production, in which allowance is made statistically for seasonal variation and for the long-time rate of growth of the industry. For June the adjusted index stood at 131.6, as against 121.7 for May and as compared with the highest 1923 figure of 132.2, touched in July of that year. In the business boom of 1920 the maximum was 143.7, in June.

With money rates abnormally high, this combination of rising stock prices, which carried the total of brokers' loans at the end of June to the highest figure on record, and expanding business activity, which resulted in a record-breaking demand for commercial credit, might well have resulted in a crisis of the first magnitude, especially since the Federal Reserve Board showed no sign of any change in its policy of bringing pressure to bear on the money market for the purpose of liquidating what it considers the abnormally high level of loans on securities. But nothing of the kind happened. This mid-year demand for funds was passed with the rate on call

loans held to a maximum of 15 per cent, as against 20 per cent at the end of March; time loans on Stock Exchange collateral declined to 7½ per cent, as compared with a May peak of 9½ per cent; commercial paper rates held steady at 6 per cent, and rates on bankers' acceptances were reduced by easy steps from 5½ to 5¼ per cent.

There are two main reasons for this unexpected ease in the money market. The first is, of course, the fact that the beginning of the Summer, with the peak of the Spring period of manufacturing activity behind and the crop-moving season still ahead, is traditionally a time of lower interest rates. The second factor was the heavy inflow of gold from abroad.

For many weeks the most disquieting feature of the international financial situation had been the weakness of foreign currencies in terms of the dollar in foreign exchange markets. In June, according to the *London Statist*, the dollar commanded a collective premium of 0.4 per cent over the fifteen most important gold centres of the world, and yet little gold had flowed to New York.

The desire to prevent gold shipments to this country is easily understood. Foreign financial authorities, elated two years ago at the action of the Federal Reserve Board, by its easy money policy, in facilitating the redistribution of world gold stocks which were largely concentrated in the United States, have subsequently had their elation turned into alarm when, early this year, the Reserve Board reversed this policy and tightened the domestic money market, with the inevitable consequence that nearly half the gold which went abroad in 1927 and 1928 has now returned to the United States.

This loss of gold became critical for Canada and for Germany early this year. Canada met the situation by taking purely artificial measures to prevent further gold losses, the result being, of course, that with the Canadian dollar at a heavy discount Canada has for the time being virtually abandoned the gold standard. Germany met the situation courageously by raising the discount rate of the Reichsbank and by taking drastic measures for making the official bank rate effective in the open money market at Berlin.

This action by Germany, however, but accentuated England's difficulties; not

only was there the threat of heavy gold losses to the United States, but the pound sterling declined in terms of mark currency and London was forced eventually to ship gold to Berlin. Until June, however, London was able to stave off gold shipments to this country, a development which, with sterling quoted below the known point at which gold shipments were commercially profitable, led to all kinds of strictures (of which the above quotation from the *London Statist* is an example) in the financial press of both countries against a financial policy which prevented the gold standard from operating. In June, however, these restrictions were removed and gold came in in quantity, belike assuaging fears for the safety of the gold standard and raising renewed apprehension over the necessity for a further increase in the British bank rate.

The effect in this country of the gold inflow, so far as the money market was concerned, was, of course, to offset the effect of the demand for credit from the stock market and from business as well as the restrictive campaign of the Federal Reserve Board, with the resulting ease in the New York money market already noted.

More ominous to Great Britain than the mere loss of gold was its timing. If London is losing gold to New York now, when normally sterling is strong, what, it is asked, will happen in the Fall, when the crop movement from America will have to be financed and the real seasonal weakening of sterling begins? The gold reserve of the Bank of England early in July fell to £156,000,000, or practically to the £150,000,000 level which of late has come to be regarded as the minimum reserve of the British banking system. The prospect that a further rise in the British bank rate can scarcely be avoided has naturally brought stagnation to British security markets (except certain specially favored issues, such as American issues traded on the London Stock Exchange) and has caused apprehension over the immediate trade outlook.

The Reichsbank, in the period which has elapsed since the raising of the discount rate, has increased its gold reserve by a substantial amount and has added greatly to its reserve in foreign currencies. Industry is carrying on on a generally satisfactory scale, and favored trades are evidently in a position to turn their activities in sizable profits.

American investors, however, evidently have a much more vital stake in European industrial progress than that involved in trade statistics and company reports; and

it is precisely on the solution of international credit problems that the ultimate success of American foreign investments depends. A recent analysis of the situation by the *London Statist* succinctly illustrates the point. That authority attributes the present state of unbalance in international payments to three causes. First, there exists "a vast mass of wholly unproductive indebtedness owing by Europe to the United States. At present it involves an annual payment of upward of £50,000,000, and this figure will grow from year to year." The second cause of "the undervaluation of European currencies," according to this analysis, is the high American tariff; and the third, the one that has been the immediate cause of the present critical situation, is the recent decline in exports of capital from America, the high rate of such exports having previously offset the effects of the first two causes.

This view of the present international financial situation is of decided interest not only because of its authoritative source but also because of its conflict with the recently issued report of the Department of Commerce on the Balance of International Payments in 1928. The latter document lightly dismisses the problem of European debt payments by pointing out that the sums involved are smaller than the annual sums spent abroad by American tourists and religious and charitable organizations. The whole transfer problem is disposed of with the conclusion that "the forces which make for equilibrium in international payments * * * are more powerful and more various than is usually supposed."

Clearly this conclusion is justified only in the sense that in making up a balance sheet of any kind the sum of the debits must equal the sum of the credits. The inference that everything will come out all right if left to take care of itself is belied by the developments of the first half of 1929. For Europe the problem of payments to this country appears so acute that the suggestion has been made, apparently in all seriousness, that the nations of Europe maintain an embargo on gold exports to the United States but yet keep the gold standard operating freely among themselves. Just how this could be worked out is a question, but it proves the temper of European opinion, especially when coupled with the hope "that such is the stake of United States investors, expressed in foreign currencies, that such a dissociation of world currencies from the United States dollar might lead to a healthy reorientation in American fiscal and credit policies."